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Legislative Assembly of Ontario

First Session, 35th Parliament

Official Report of Debates (Hansard)

Tuesday 24 September 1991

Speaker
Honourable David Warner

Clerk
Claude L. DesRosiers

Assemblée législative de l'Ontario

Première session, 35^e législature

Journal des débats (Hansard)

Le mardi 24 septembre 1991

Président
L'honorable David Warner

Greffier
Claude L. DesRosiers



Table of Contents

Table of Contents for proceedings reported in this issue appears at the back, together with an alphabetical list of members of the Legislative Assembly of Ontario.

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Effective with the opening of the Second Session of the 35th Parliament, Hansard issues and pages will once again be numbered on a sessional basis. Hansard numbering therefore will become consistent with Orders and Notices and Votes and Proceedings, and with other parliamentary publications throughout Canada.

For the last two years Hansard has been numbered according to the calendar year. Under this system, the numbering of issues and pages was restarted with the first issue in the calendar year, regardless of session or Parliament.

Under the new system, the sequence of numbering started in January 1991 will end with the final House and committee sittings of the present First Session. A new sequence will begin on the opening day of the Second Session, and each succeeding session, which will be issue 1 and begin with page 1. Committee reports likewise will be numbered from the first sitting of each committee in a parliamentary session.

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Table des matières

La table des matières des séances rapportées dans ce numéro se trouve à l'arrière de ce fascicule, ainsi qu'une liste alphabétique de députés de l'Assemblée législative de l'Ontario.

Il existe un index cumulatif des numéros précédents. Les renseignements qu'il contient sont à votre disposition par téléphone auprès des employés de l'index du Journal des débats au (416) 325-7400.

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Depuis deux ans, le Journal des débats était numéroté par année civile. Avec ce système, la numérotation des numéros et des pages recommençait au premier numéro de l'année civile, quelle que soit la session ou la législature.

Avec le nouveau système, la numérotation commencée en janvier 1991 s'arrêtera à la dernière séance de la Chambre et des comités de l'actuelle première session. Une nouvelle série commencera le jour de l'ouverture de la deuxième session et des sessions suivantes : numéro 1, page 1. Les rapports des comités seront également numérotés à partir de la première séance de chaque comité pour une session parlementaire donnée.

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LEGISLATIVE ASSEMBLY OF ONTARIO

Tuesday 24 September 1991

The House met at 1332.

Prayers.

MEMBERS' STATEMENTS

MEALS ON WHEELS WEEK

Mr Miclash: The week of September 22 to September 28 is Meals on Wheels Week across Ontario. In the many communities across the Kenora riding, Meals on Wheels programs help to improve the quality of life for senior citizens and persons with special needs. It allows them to stay in their homes but still receive the care they need to enjoy a healthy lifestyle.

But Meals on Wheels is more than the delivery of meals. It is the visit of a friendly face for many who are unable to venture outside their homes or who do not experience the full enjoyment of town life because they live in the outlying areas of northwestern Ontario.

This Friday I look forward to helping the many Meals on Wheels volunteers of the Dryden Home Support Association who generously give of their time to ensure that seniors and people with special needs receive good lunches and warm dinners on a daily basis.

I would like all members of this House to recognize the most valuable contribution which the Meals on Wheels program and its many volunteers bring to the improvement of community life for our seniors and persons with special needs across the province.

NORTH YORK WOMEN'S CENTRE

Mr Harnick: Yesterday was National Women's Centres Day. I would like to recognize the dedicated staff and volunteers at North York Women's Centre. Women's centres provide a valuable service to our communities. The North York Women's Centre provides essential information, counselling, resources and support services to the women of North York. Too often we overlook the reality that women have distinct needs in society that can only be met through specialized centres such as the North York Women's Centre.

The theme of this year's campaign is Keep the Doors Open for Women. The theme is based upon the chronic funding problem faced by women's centres across the country. This lack of funding threatens the centre's ability to provide the essential services women so desperately need.

In highlighting the undisputed need for women's centres I would like to cite some statistics. The Canadian Centre for Justice statistics stated that in 1989, 119 women were killed within the context of a domestic relationship. One out of 10 women is battered. Violence against women is a terrifying symptom of problems within our society. We must all co-ordinate our efforts to combat this social evil, yet this is only one role of the North York Women's Centre. I trust the government will live up to its election promises of support for women's issues and for the North York Women's Centre.

EVENTS IN DURHAM-YORK

Mr O'Connor: It is with great pleasure and pride that I extend my congratulations to the town of Whitchurch-Stouffville in recognition of its honourable distinction as Music Town, Ontario.

The history of Whitchurch-Stouffville has long been intertwined with music. Music Mania is just one example of the town's affinity for music. Although the music show is termed amateur, it is only amateur in the traditional sense of the word: the performers are not paid; they do it for love. In all other ways the show is of a very high professional calibre.

There are many talented singers and musicians in Whitchurch-Stouffville, from seniors down into the schools. They are all contributing to the present and future in full harmony.

Uxbridge is another fine community filled with the spirit of the arts. This past weekend, the occasion of the fourth annual Uxbridge Celebration of the Arts, was a weekend filled with books, photography, music, film and the works of resident artists. This festival is indeed a wonderful celebration of the arts by the people of the Uxbridge area.

I would like to finish up with a few words about a truly amazing woman from my riding, Heather McAdam. She is one of 12 people chosen by the Ministry of Citizenship for its community action award. There were 140 applications for this award right across the province. It is directed towards people with disabilities who are involved in their communities. Our whole community shares this sense of pride we have that the ministry has recognized Mrs McAdam's efforts and contributions.

WILDLIFE PROTECTION

Mr Brown: I stand in the House to salute the World Wildlife Fund and draw attention to the Endangered Spaces Action Agenda which it has recently released.

The release begins with the statement, "Ontario's failure to protect any significant tracts of wilderness during the past year is jeopardizing the future of the province's wildlife and wild places." In the last year there has been no increase in the area of land receiving protected status.

Since the Premier endorsed the endangered spaces program in August 1990, it would not be unreasonable to expect an immediate statement from the Minister of Natural Resources on whether he intends to respond to the list of action items the WWF says are needed by May 1, 1992: renew funding for the Carolinian Canada program; initiate protection of the Madawaska Highlands; obtain final cabinet approval for the wetlands policy; identify candidate sites to represent at least five site districts; defer logging of identified old-growth forest until protection targets in the old-growth conservation strategy are met.

1340

SCOTT ROSSITER

Mr Runciman: Members will know that last Thursday Ingersoll Police Constable Scott Rossiter was shot and killed in the line of duty.

Constable Rossiter's funeral is this afternoon in his home town of St Thomas, and on behalf of my party and, I am sure, all members of the Legislature, I wish to express our sincere condolences to his wife, Penny, and their two children, Joshua and Erin, other members of his family, and friends and colleagues in the Ingersoll Police Service.

Policing is a dangerous, high-risk occupation at the best of times, but in an environment where crime is escalating at a rapid rate, especially violent crime, Ontario's policemen and women are facing even greater risks and pressures on a daily basis.

This is a sad occasion, but I believe it is important, especially in this House and at this time, that we recognize the challenges facing our police officers in today's Ontario society, and also recognize that the vast majority of men and women in blue are dedicated, honest, conscientious and committed to their communities.

Scott Rossiter, who lost his life in the line of duty, was that kind of police officer.

LITERACY

Mr Dadamo: As the member of the Ontario Legislature representing the riding of Windsor-Sandwich, I am pleased to announce to the members of this House that the Ministry of Education has granted \$99,660 to the Windsor-Essex County Literacy Steering Committee for a program to assist laid-off workers to upgrade their skills.

The funding is part of \$4.8 million to help workers who need to improve communications, reading, writing, science and basic computer skills. As well, the funding will also allow the Windsor-Essex County Literacy Steering Committee to assess the literacy and basic skills needs of laid-off workers in the Windsor-Essex region and also to help co-ordinate the delivery of the most appropriate training to them.

In closing, literacy and basic skills training are often the first step for people preparing for new jobs or retraining, and it is the goal of this government to ensure that programs of this nature are available to all those who need them.

My congratulations to Pam Pons, who is the executive director of the Unemployed Help Centre, along with her staff, for continuing to assist the unemployed in the Windsor area.

LAND USE PLANNING

Mr Bradley: The NDP has always said that it wants to protect agricultural land from development. In Niagara this is an important issue, as fruit farmers experiencing financial difficulty are offered very high prices to sell their farms to developers.

In February 1991 the Minister of Agriculture and Food announced a task force to look at land use issues in the Niagara region. The task force included representatives of the Niagara agricultural community, a special adviser to the minister and ministry staff. The minister said: "I want to emphasize that this task force has responsibility to bring me action plans. It is not just another study." The task

force report was released later in the spring and included the recommendation of establishing conservation easements to protect agricultural land by providing financial support to local farmers in return for a legal agreement not to develop the land.

The government has not yet acted on the recommendations of the task force. Area farmers are angry the task force has turned out to be just another study. In protest, a number of Niagara farmers have put large signs on their farms, advertising land for sale to developers. The regional government is considering relaxing severance restrictions to allow more farmers to sell land for development.

The government must take immediate action to save the valuable farm lands of the Niagara Peninsula. There are rumours that the minister may soon announce a tripartite committee of farmers, municipal representatives and provincial representatives to study the conservation easements proposal again.

Farmers always say that they would rather farm than be forced to sell out to developers. So far this government is forcing farmers to sell out to those same developers.

LIQUOR STORES

Mr J. Wilson: Residents in Beeton have been trying for several years to obtain an LCBO outlet in their village. Local merchants are suffering because there is a tremendous outflow of shoppers who are forced to purchase their alcoholic beverages out of town.

In response to my interventions, a market survey was commissioned by the LCBO, with the results suggesting that a regular LCBO outlet would not be profitable in Beeton. While I find the results of this survey contentious, to say the least, it is my understanding that Beeton would qualify for an LCBO agency store.

The problem is that this government is intoxicated with its unholy alliance with unions. The LCBO cannot offer Beeton an agency store because the former NDP Minister of Consumer and Commercial Relations, who is sitting across the House from me today, placed a freeze on the LCBO's plans to expand its agency stores.

This freeze has been implemented solely because agency stores do not employ unionized workers though regular LCBO outlets do. This government has become drunk on its own ideology. There are several communities across Ontario which would like easier access to LCBO products, and unfortunately these communities do not qualify for a regular LCBO outlet and the minister has put a freeze on agency stores.

I would urge this government to stop playing politics with this issue and begin to govern with the interest of all Ontarians in mind.

OKTOBERFEST

Mr Cooper: I would like to extend to all members an invitation to join the twin cities of Kitchener-Waterloo in their celebration of Oktoberfest, the second-largest Bavarian festival in the world.

From a modest beginning in 1969, K-W Oktoberfest has grown to become one of the most successful events in Canada, thanks mainly to the great German heritage of the

twin cities kept alive by Kitchener-Waterloo's German Canadian social clubs—Schwabens, Alpine, Transylvania, Concordia and Hubertushaus.

Kitchener-Waterloo Oktoberfest is known throughout the country for its unique spirit of *gemütlichkeit*, a German word that means everything from good times to warm hospitality. This year in excess of 600,000 happy revellers are expected to visit the area's festhallen and cultural and general events. Last year Premier Bob Rae was a proud participant at the opening ceremonies and the tapping of the keg.

Revellers can sing and dance to the brassy strains of German oompah bands and be entertained by traditional dance groups at any one of the 22 fest halls set up around the twin cities. Patrons can also sample some of the best Bavarian fare this side of the Atlantic—favourites like *wiener schnitzel*, ribs, roast pig tails and, of course, Oktoberfest sausage and sauerkraut.

Visitors to Oktoberfest will want to visit the famed Kitchener farmers' market and the thriving Waterloo farmers' market. Two special landmarks at speakers' corner in downtown Kitchener are also a must: the 65-foot festival maypole and the *glockenspiel*, an animated carillon featuring Snow White and the Seven Dwarfs. In uptown Waterloo the Oktoberfest heritage timeteller, a charming bandshell with a lively band of beer steins moving in time to an Oktoberfest polka, keeps visitors in a festive spirit. *Willkommen*.

STATEMENTS BY THE MINISTRY

ONTARIO HUMAN RIGHTS COMMISSION

Hon Ms Ziembra: This government is committed to achieving equity and justice. As part of that commitment it is our responsibility to ensure that the systems and the institutions established for this purpose work.

Ontario was the first province to establish a Human Rights Code, and we must continue to lead the country in delivering protection against discrimination. To this end I am pleased to announce a comprehensive plan of action to address the difficulties which have plagued the Ontario Human Rights Commission. These issues range from the backlog and an inadequate case management system to staff morale. These concerns have triggered a crisis of confidence among the people it was set up to serve.

These are issues which have existed for some time. Past governments have ignored the reports of consultants, pleas of complainants and equity-seeking groups, as well as the advice of the staff of the OHRC. These are also problems which the Ombudsman, Roberta Jamieson, has brought to the public's attention. She made recommendations to address these difficulties.

The chief commissioner and I have spent a great deal of time in serious deliberations on the complexities of the issues and problems facing the commission. We have met many interested groups across the province and with their valuable input, along with the recommendations of the Ombudsman, we have developed a strategy that has vision, specific goals and definite timetables.

The principles of the strategies are: It will enhance the social justice agenda of the government, it will be financially responsible, it will be politically accountable, and

most important, it will ensure that the fundamental human rights of all citizens of Ontario are effectively protected.

Moreover, the focus of the strategy is to clear the backlog to address the frustration and anxiety of complainants over the prolonged delay, to strengthen the commission and ensure the backlog does not recur, and to give a firm commitment to a review of the Human Rights Code.

Although there have been some results from the considerable efforts made by the commission to deal with the backlog, we feel that the reduction in the case load has not been fast enough. Therefore we are assigning a 33-person staff of experienced investigators and conciliators from the public service.

1350

This team will be in place by December 1991 and will have one year to complete all unassigned cases over six months old. Priorities will be set so that the most urgent cases get immediate attention. I would like to emphasize that this team will deal specifically with the backlog, thus allowing the staff of the commission to concentrate more fully on the new complaints and assigned cases.

At the same time we are instituting some administrative changes which will improve the health and performance of the commission. A closing time frame for all new cases will be established, as well as an improved case review process that will facilitate fast-tracking of cases. A review will be initiated which will assess management planning functions and set up accountability systems. A more comprehensive manager and staff training program, especially as it relates to customer service, will be developed. We will monitor the progress made within the commission and require monthly reports to ensure accountability.

Implementing this special project will require a one-time funding of \$6.4 million over three years: \$2.3 million this year, \$3.6 million next year, and \$500,000 in 1993.

It is very important that this process work, and that is why we have built in the requirement of strict supervision and monitoring. This is a one-time specific infusion of funds aimed at ensuring that the equilibrium of the OHRC is restored.

There will be a special project director to oversee the administrative changes, implement the improved systems and monitor progress. The mandate of the project director will be to ensure that the goals are met within budget and on time. The project director will provide regular reports to me on the status of this project.

In addition we are also naming human rights commissioner Fran Endicott as commission vice-chair. Her valuable experience will assist the commission in resolving the backlog problem and strengthening the agency.

There will be a permanent part-time chief of panel of the board of inquiry. That office will have administrative support and will provide training to panelists. This will result in a more efficient process. I am pleased at this time to announce that I have appointed Ms Maryka Omatsu, a lawyer with extensive experience in human rights issues, to be the first chief of the panel for the board of inquiry.

Recruitment of new panelists will place more emphasis on regional representation and reflect our diverse commu-

nities. As well, members will have a commitment to and a knowledge of human rights issues.

The Human Rights Code was last amended in 1981. Our society continues to evolve and the code must reflect current needs of the people of Ontario. Therefore the code must ensure that there will be a system where people's complaints will be dealt with in a fair and an expeditious manner.

Many have voiced clearly the need for a comprehensive review. I share that view. I have initiated a serious dialogue with community representatives in exploring models of participation. I will continue to do so in order to determine what will be the most effective means for community input. I will report back to the Legislature on the details and timing of a code review.

What I have outlined here is the spirit of the continuing commitment of this government to equity and social justice.

The Ontario Human Rights Commission is one of our most important institutions, and it must receive our full support. This government has introduced an antiracism strategy, has introduced the Advocacy Act, and will soon introduce mandatory employment equity legislation. We are confident that this comprehensive strategy will strengthen the protection of human rights in Ontario, and we are determined to provide the leadership to make it work.

HEALTH CARE

Hon Ms Lankin: I am taking this, the earliest possible opportunity, to share with you, Mr Speaker, the Premier, and the members of this House some details of last week's conference of the federal, provincial and territorial ministers that was held in Winnipeg. Much was accomplished at that conference, and I was very encouraged by the commitment and co-operation displayed by all the delegates attending.

As a group the federal, provincial and territorial health ministers have committed to work together to manage Canada's health care system to its fullest potential so that it stands unique in the world at providing the best possible care and an equal standard of care for all our citizens.

To do that we pledged as health ministers to renew our health partnership across the nation. We mean to protect and maintain what we already have and to work toward sustaining and building an even better health system for the future. There is no question that the principles of medicare enshrined in our Canada Health Act must be maintained nationally and provincially, but that cannot be done overnight by a simple act of willpower. However, we do believe that we can begin to address certain aspects now, together. We have identified three fundamental considerations for renewal: preservation of the principles in the Canada Health Act, assurances of adequate funding, and effective management of the system.

The Canada Health Act articulates five fundamental principles of the Canadian health care system: universality, accessibility, comprehensiveness, portability and public administration. The federal government and the provinces and territories are committed to the preservation of these principles. With these principles in mind, dialogue including federal, provincial and territorial ministers of health and finance will be enhanced in order to ensure the future

funding of our health care system, to ensure its sustainability in both the health and fiscal context and to provide the best and most viable health care system for all Canadians.

Provision of quality health care to Canadians depends on effective management of the health care system. Because the delivery of health care is a provincial and territorial responsibility, the provinces and territories are committed to provide effective management of the system. This morning I tabled with the office of the Clerk three communiqués that we issued at the conference. I also tabled the national nursing symposium report and a report called *Toward Integrated Medical Resource Policies for Canada*, informally known as the Barer-Stoddart report.

The national nursing symposium report arises from a national nursing conference held last November. The report was sponsored by the provincial health ministries and is a comprehensive document looking into a number of nursing issues. It offers health ministries, employers, unions, nursing organizations and nurses recommendations on such items as recruiting, education and leadership.

The Barer-Stoddart report, commissioned by the federal, provincial and territorial deputy ministers of health, is a major planning document for health human resources. It is being given wide distribution in a consultation exercise across Canada. Governments, medical schools, hospitals and other health service stakeholders have been invited to comment.

Let me also share, from a second communiqué, some of the steps the provincial and territorial health ministers believe to be essential to strengthen our health partnership. As recommended in the 1987 *Future Directions for Health Care Services* report, we believe the development of national health goals and objectives should be continued. Several jurisdictions have begun such development, and consensus on national goals is the next necessary step. A national initiative would assist in creating an overall vision and framework. Such a process is required in order to allow for a national readjustment of priorities and reallocation of resources, and it would provide opportunities for Canadians to participate and set important priorities.

The provincial and territorial ministers recommend a national strategy to support research into innovative and cost-effective ways of delivering high-quality health care services across Canada. This strategy would provide for demonstration projects on alternative delivery systems so that an evaluation could be made of their service and the value and the relative impact on costs.

As well, it would support a national health goals strategy, a total quality management strategy and studies to address cost drivers. We believe that quality assurance and total quality management strategies should be expedited throughout the overall health care system. Introduction of these techniques is essential to find out if health care services across the country are appropriate and effective.

In the area of supply and distribution of health care human resources, the health ministers believe that a co-ordinated federal, provincial and territorial effort must be undertaken.

We intend to follow up on the recommendations of both the National Nursing Symposium and the Barer-Stoddart report.

Finally the ministers believe there is a central role for the federal government in assessing new medical technologies. As well, we think efficiencies and cost-effectiveness could result from new strategies in centralized procurement of medical equipment, supplies and pharmaceuticals.

1400

One of the highlights of the conference was that for the first time ever, federal, provincial and territorial health ministers were able to sit at the table with the leaders of four aboriginal organizations and hear their concerns.

I know that aboriginal health issues are, and have been for some time, a particular concern for the Premier and for this Legislature. I am sure all the members will be pleased to know that the health ministers intend to continue to consult on an ongoing basis with these leaders and that provincially I intend to carry on an active dialogue with Ontario's aboriginal groups.

In their presentations the aboriginal leaders pointed out that their understanding of health and determinants of health has always accorded with what we are just beginning to accept from reports of health councils and other organizations. I quote from the presentation on behalf of the Inuit Tapirisat Association: "Health care is tightly bound to issues of social and economic wellbeing. To consider health care as separate from the desperate need for decent housing, adequate sewage treatment, safe drinking water and meaningful employment is simply insufficient."

The presentation went on to highlight the need to establish truly equal partnerships that facilitate the Inuit people in taking control of their own health care. I quote further from the report:

"The transfer of authority over health care to Inuit is only the essential first step to achieving the larger goal of self-care. The medicalization of health care, as well-intentioned as it may be, has slowly eroded our confidence in our own ability to know what 'wellness' is.

"Self-determination in health care means more than a change of managers; it means a redefinition of 'health'—an Inuit definition."

These sentiments, as expressed by our aboriginal peoples, are at the heart of the reforms that we are striving to achieve through our national system. Health care is not health; it is but one of several things that determine our health and wellbeing, but based as it is on five principles of medicare—universality, portability, accessibility, comprehensiveness and public administration—our national system of care is well worth preserving.

On behalf of this government and the people of Ontario, I am committed to the renewal process we began last week in Winnipeg.

RESPONSES

ONTARIO HUMAN RIGHTS COMMISSION

Mr Curling: I am very happy to address and comment on the statement the minister made here this afternoon. It seems to me the minister has come to her senses and

knows there does exist a problem at the Ontario Human Rights Commission. I have raised the point here on many days in this House and she has ignored, as a matter of fact denied, that there is such a problem that exists here.

However, there is still some neglect. In her report the minister neglects to mention the poor morale within the commission and the racial discrimination that happens within the commission in many of the offices I visited. I wonder whether she will address that sooner or later.

The minister also denied the backlog that existed. I recall at one stage she said to us that throwing money at these issues would not resolve them. Today she announced she has more money to throw at them.

I remember when my colleague the Honourable Gerry Phillips, the minister of the day then, contributed \$11 million to the commission through the ministry. What have they done with that? Will \$3 million more thrown at it help it in any way? I do not think so. I think what she has done is quite inadequate.

Nothing has changed. These kinds of patchwork approach measures the minister is taking will not resolve the problem itself. I remembered again when the Ombudsman's report was leaked, and now she is fully agreeable to the things that are said there. I am not quite sure whether she is completely committed to making those changes.

We also told the minister that the code needed to be changed to reflect the diverse culture we have here in Ontario. Now that she has done so and has intended to do so, we hope it is not interfered with by political or party interference itself. We see a lot of ministry interference here; some hint of that nature. We hope it is an independent commission that looks at itself and makes sure to follow the direction of the Ombudsman and the criticism here.

We have been watching the minister very closely because her record and her government's record are extremely poor with regard to human rights. They talk a lot and do nothing. We will be watching very carefully.

HEALTH CARE

Mrs Sullivan: I would like to respond to the statement from the Minister of Health. In a time of constitutional uncertainty, and on this particular day when new constitutional proposals have been put forward, reassuring and underlining the value of the medicare programs and the commitment of the provinces, the territories and the federal government to that, I think is something that is valuable.

I note from the minister's statement that one of the messages all the ministers spoke about was that one of the fundamental considerations for renewal of health care is the assurance of adequate funding. In Ontario, with health care funding consuming more than a third of the provincial budget, it behooves us to participate in initiatives that lead to cost-effective management of the health care system. We are anxious to see what initiatives this minister will put forward in that area. So far the initiatives we have seen include requiring all hospitals that have been waiting for computerized axial tomography scanners to resubmit their applications because the requirements for acquisition have been changed.

I also remind the minister that she and the Treasurer have just carried a very gloomy message to health care providers. It is rumoured that \$700 million in her constraints will be put forward, but it is unclear, because the Minister of Health has made it unclear, whether the commitments that have been made to hospitals so far for operating expenses for this year will be cut back. Nor is it clear how hospitals will be able to meet the pressures of their nursing settlement, of the employer health tax, of occupational health and safety provisions, of the Ontario Medical Association decision and pay equity decisions. That uncertainty must be cleared up immediately. The minister must do it right away.

If the minister is interested in providing quality health care, I also want to call on her to withdraw the unworkable and ill-thought-out bill on consent, Bill 109, and begin at the beginning again with appropriate consultation in a process where providers and professionals have a say, and bring a new bill to the House. I suggest that the lack of consultation on Bill 109 is one the minister herself has noted as being one where the intent of the legislation was not met through the policy initiatives and the legislation that was put forward. I ask her to withdraw that bill and come back with a new bill.

ONTARIO HUMAN RIGHTS COMMISSION

Mr Cousens: The Liberals have done it again. They want to throw more money at the problem instead of solving it, and I am just surprised that the member for Scarborough North still has not learned a lesson since he got kicked out of power.

I sit around and look at this Minister of Citizenship and I say shame on her for what she is saying in her report today. She is saying, "Past governments and consultants have not been listened to." Whom has she been listening to? There was a press conference this summer when a human rights reform group came and said: "Let's overhaul the Ontario Human Rights Commission. Let's set up a task force to do something about it." The minister has not listened to anyone except herself. I am afraid she is not listening to enough people. The fact of the matter is that something needs to be done and she is starting to say, "We're going to do it all." I do not think the minister has begun to address the real problem.

Shame on the minister as well when she says her program will be a responsible program financially. That is poppycock. Look at what happened earlier. A task force was set up in 1990 with 10 people to work on it. Their goal was 200 cases to be closed in the first six months and 200 in the next six months. They failed to meet that goal. In fact, they closed only 71 cases in the first six months, a third of the cases.

Here is the minister coming along and adding it up. It comes to about \$10 million that this government will have spent in five years towards trying to solve the backlog in human rights. Come on, it is not just money she needs; she has to come along and look at a way of approaching the needs of people in this province and it takes a fresh approach, an overhaul and a royal commission on human rights. It is an issue and a problem, but the minister has come along and given us fancy words again.

She has had several months since this House broke off, and what has she come back with? I have to say shame on the Minister of Citizenship. She has failed to meet the need. She has failed the test. She is failing the people who need that help right now and on behalf of our party I say, why does the minister not get out and let someone else do it?

1410

HEALTH CARE

Mr J. Wilson: In response to the Minister of Health's report to the Legislature today, the minister spoke of health partnership across this nation and a renewed commitment to co-operation and co-ordination among Canada's ministers of health, but I ask her to apply those same principles of partnership, co-ordination and co-operation in this province.

In Ontario today there is very little co-ordination among the myriad of programs administered by her Ministry of Health and the Ministry of Community and Social Services. The minister does not have to look much farther than outside her own office door to see gross examples of lack of co-ordination and co-operation in her own ministry. There are 10,000 children on waiting lists for mental health services in this province. That is a disgrace.

Her government seems to have an agenda of driving private nursing homes out of business in this province. She has not come up with the answer, the solution or the suggestion of how she is going to deal with the frail elderly, for instance, whom she very well may be putting out on the street. She is threatening to close Ontario's chronic care hospitals to save money, but there is no indication from her to this point what we are going to do with the people in those hospitals.

The minister has unco-ordinated government policies and they have resulted in the closure of hundreds of hospital beds. She has put untold numbers of people out of work. They are on the street and they have joined our unemployment lines. She has not co-operated or worked in partnership with the hospitals that have had to close hospital beds. She has simply squeezed their budgets so tight that the only option left for them after all the efficiency studies is to close hospital beds, and it is a disgrace.

Lack of human resource planning in the health care field has resulted in waiting lists for cancer patients, and the same applies in the areas of treatment for persons with head injuries and those waiting for drug and alcohol rehabilitation.

While it is commendable that the minister is working with other levels of government, with her colleagues across the provinces and at the federal level to maintain Canada's health care system, I do however recommend that she apply the same principles of co-ordination, partnership and co-operation in her dealings with health care providers and consumers in her own backyard. The minister should stay in the province for a while and look after the problems here before she goes around preaching to her colleagues across the nation and to the federal government.

ORAL QUESTIONS

BUDGET

Mr Elston: Yesterday the Treasurer of the province confirmed that his revenue flows were spot on his budgetary

targets. He told us he was going to abide by his reckless \$9.7-billion deficit and has indicated that he has everything under control but his expenditures. That being the case, he then went out of this House and told the media he was hundreds of millions of dollars over his budget in terms of expenditures. Can the Treasurer tell us exactly how many hundreds of millions of dollars his budget expenditures are beyond what his budget said?

Hon Mr Laughren: Perhaps I could clarify for the interim leader of the official opposition exactly the message I was attempting to convey. Perhaps it was not as clear as it could have been. What I was trying to convey was the fact that in this fiscal year, the revenues that Ontario gets from its own sources as opposed to revenues from the federal government were pretty close to what we had predicted in the budget in the spring.

Mr Elston: Not spot on.

Hon Mr Laughren: Well, spot on—okay, I will use that figure if the member likes and if it makes him feel better, but very, very close. On the other hand, if we do not take action the expenditures will put us over the deficit number of \$9.7 billion, which we do not want to do.

Interjection.

Hon Mr Laughren: There is nothing secretive about this. It is just the case that we are adding up all the numbers and we know there would be several hundreds of millions of dollars that we would be over what we anticipated the expenditures would be. I think the leader understands a couple of the problems with the welfare case loads and with the solvency numbers for the pension plans. There is nothing mysterious about it. We simply have to engage in some reallocations to make sure we come in with that \$9.7 billion.

Mr Elston: I have just one very straightforward question for the Treasurer. Can he tell us how many hundreds of millions of dollars his expenditures are out of control at this particular time?

Hon Mr Laughren: Not a penny of our expenditures are out of control. Perhaps the interim leader does not understand, but I suspect every government and every Treasurer has had to deal with pressures on expenditures in-year. I doubt if there is anything new except that the pressures, I think, are tougher this year because of the recession that we are finding ourselves in and are very slowly coming out of.

I think it is not fair to depict the pressures on our expenditures as being out of control. If we were not going to take action to do something about them, yes, I would agree with him, but we have every intention of keeping those expenditures under control. That is what we will be doing, and it is my intention to make a more detailed statement in the House in the next week or so.

Mr Elston: It is a relatively straightforward question. Yesterday he told us he was abiding by his expenditure plan, which was of some \$52 billion. He told us he was abiding by his deficit plan, which was of \$9.7 billion. He told us that his revenue projections were spot on. Now can he tell us how many hundreds of millions of dollars beyond his budget's expenditure plan he is currently at, and

how many hundreds of millions of dollars he will be required to cut from the current expenditure profile that he sees in his Treasury reports?

Hon Mr Laughren: To be precise, several. I think what members have to understand—and the interim leader at one point in his illustrious political career was Chairman of Management Board, as I recall. I am sure he understands the process that all governments go through as they attempt to contain expenditure pressures, because those pressures will always be there.

There is no precise figure at this point. We are keeping a very close eye on the expenditures to make sure that whatever the expenditure pressures are, we do not allow those pressures to cause us to exceed the \$52 billion in expenditures that were projected in the spring budget.

Mr Elston: I had expected the Treasurer to be much more candid about where we were going with their expenditure plan. I was prepared to have a question for some other minister at this point, but I am going back to the Treasurer until he comes clean with us about these numbers. There is no way that he can have an expenditure plan prepared for delivery next week if he does not know exactly how many dollars he is going to be putting to the knife under his budgetary plan. There is no way.

I only ask the Treasurer now to tell me how many does his word "several" equate to in numerical terms when he describes "hundreds of millions" of dollars.

Hon Mr Laughren: I tried to be as precise as I could to the interim Leader of the Opposition and I did say to the member that in the next week or so it is my intention to make a full report to the Legislature when all—

Mr Elston: Only on expenditures.

Hon Mr Laughren: No, on basically what action we are going to take to make sure that we have control of expenditures and they do not exceed what we predicted they would be. There is nothing mysterious about that, and I would put—

Interjections.

Hon Mr Laughren: I will wait for the supplementary.

Mr Elston: Now, having had the Treasurer tell us and confirm that he is abandoning the commitments of his April 1991 budget, will he tell us with whom he is consulting to construct the loser's list around the overexpenditures of hundreds of millions of dollars that he told the press about yesterday and only came to tell the House about today?

1420

Hon Mr Laughren: First of all, we in this government do not make up lists of winners and losers. Let's get that on the record first of all.

I have been saying for at least a month now that there were expenditure pressures building in the province. I did not say anything yesterday that was new; it is what I have been saying for the last month. That is simply a fact. What I did say yesterday that was perhaps a little different was that our revenue projections seem to be spot on, from what we had predicted in the spring.

Mr Elston: Now they "seem to be." You were more categorical yesterday.

Hon Mr Laughren: I would put a word of caution in that the two big numbers that really hurt us fiscally in the last year were the corporate income tax and retail sales taxes. For retail sales taxes, the big numbers come clear in January, after the retail season in November and December. So first of all, it is premature to say that the numbers that appear to be spot on now will always be. I do not know that. And with corporation tax revenues, which are also way down in the last year, we do not get those numbers until about March. But from what we see now, our revenue projections now are the same as they were back in the spring.

There is nothing new in what I said yesterday, other than the fact that our revenues seem to be holding and that our expenditure pressures are building.

Mr Elston: We asked the Treasurer yesterday if he would bring in a new economic statement about the way the province was, and we asked in August if he would do that, since everything has changed, or at least it apparently has changed in some way that they were not able to anticipate last April.

But can the Treasurer today, since he is unable to give us a real view of the entire world, guarantee to us that he will not be asking transfer payment agencies like hospitals and municipalities to pay for the mismanagement of his expenditure program under his 1991 budget by being forced to take less than the amount of money that they need—to quote him in terms of what he said about his last transfer payment announcement—“to commit to the maintenance of current service levels in those transfer payment agencies”?

Hon Mr Laughren: First of all, we have not changed direction from the budget in the spring. We said in the spring what we thought our expenditures would be and what our revenues would be. We have not changed that. We are simply attempting to maintain that. I find it a bit hard to take for the interim leader to stand in his place, who was part of a government that experienced the greatest growth in this province in decades and still ended up with a deficit at the end of its term.

LANDFILL SITES

Mr Cousens: I have a question for the Minister of the Environment on a mounting crisis and one that just will not go away until we find a true solution to it. The minister will be aware that the region of Peel has defied her directive of August 16 ordering it to expand the Britannia Road landfill site. She will also be aware that a series of resolutions were passed by Peel clearly stating that unless the Premier meets with them and unless a number of conditions are met, they will not be proceeding with the proposed expansion.

Will the Minister of the Environment tell this House when the Premier will be meeting with Peel region and what measures are now under way to respond to Peel region's demands?

Hon Mrs Grier: As I am sure the member is aware, the Minister of Municipal Affairs and I had a meeting with the chairman of the region of Peel and the mayors of the area municipalities within Peel to discuss with them the emergency order I had issued with respect to the disposal of waste within Peel. I think what matters to the people of

the region of Peel is what is going to happen to their waste in August 1992, when the Britannia site closes. I understand the reluctance of the council of the region of Peel to agree to the expansion of that site, but there is no other choice.

I certainly hope that as we discuss the issues, as we have been, we can arrive at some working agreement and arrangement and that I will have the full co-operation of the region of Peel, and I look forward to that happening.

Mr Cousens: It was obvious that the region of Peel wanted to meet with the Premier. They did not; the Premier did not meet with them. They wanted to have some measures to respond to the questions they had, and it is obvious that the ministry and the minister have no answer to the concerns that Peel has been raising.

The Minister of the Environment also made use of her emergency powers under the EPA with no regard to the impact these expansions and orders would have on the communities involved. There will be no environmental assessment, there will be no discussion, and there is still no long-term landfill site in place. She is now also ordering Durham region to construct a temporary transfer station at a cost of millions of dollars so that it can transport its waste to Keele Valley.

How can the minister stand here today in this House in good conscience and assure the people of the greater Toronto area that she is capable of handling this issue when, after millions of tax dollars have been spent, we are no better off than we were four years ago, either financially or environmentally?

Hon Mrs Grier: I am sure the member will allow me to disagree profoundly. We are a great deal better off than we were a year ago. We have in place within the greater Toronto area a system of waste reduction and reuse that is second to none anywhere in this province, one that is beginning to have a very real impact on the amount of waste that is generated and that is going to landfill sites. We have Metropolitan Toronto suggesting that perhaps Keele Valley will last until 1997 because of the efforts that are being made with waste reduction. We have a government that has a very clear long-term plan and that has begun the search under its Interim Waste Authority for three long-term sites to accommodate the greater Toronto area, sites that will be found under the Environmental Assessment Act. That is a vast improvement over the situation a year ago.

Mr Cousens: We are not environmentally better off; we are not financially better off. The minister may think we are, and that is the dispute that we are going to be having in this House for a long time to come, until she begins to deal as minister with the issues that deal with the environment. We have a crisis on our hands and she and her ministry are just sidestepping it and hoping someone else is going to solve it for them.

Metro Toronto's waste reserve fund once stood at \$250 million. It now stands at \$100 million. They spent \$25 million alone on the Kirkland Lake deal, which the minister vetoed. Durham region's waste reserve fund, which was once \$20 million, is now almost broke—\$20 million to nothing. Millions of dollars have been spent to expand the Keele Valley landfill site so that Metro, York and Durham

regions can transfer their waste there. How many more millions of taxpayers' money is going to be spent on wasted studies, wasted site locations and wasted government policy?

Will the minister commit today to remunerate the GTA municipalities for all the wasted dollars due to her flip-flop policies?

Hon Mrs Grier: Let me tell the member that we agree on one thing. We agree that there is a crisis. I am sure we could agree that that crisis has been around for five, six, seven years within the GTA, but to suggest that there is not an answer to that crisis is entirely wrong.

We have an answer. We have an answer in our policies to reduce the amount of waste. We have an answer in our search for long-term sites under the Environmental Assessment Act. We have a short-term answer, a painful short-term answer, a short-term answer which requires us to take the tough decision to extend the use of Britannia and to extend the use of Keele Valley. That was a hard choice to make. It was not shying away from the crisis. It is a solution to the crisis, and that solution will be successful.

1430

RENT REGULATION

Mrs Marland: My question is to the Minister of Housing. Before I begin, I would like to congratulate her on her re-entry into the cabinet, and as our party's new critic for Housing, I look forward to working with her in her new portfolio.

The former Minister of Housing was very vocal, both in opposition and in government, about his views on landlords who charge what he considers to be excessive and gouging rents. My question to the minister is, as the new minister, would she tell us if she shares this view and what would she be prepared to do in situations where unlawful rents are being charged?

Hon Ms Gigantes: I would like to thank the member for Mississauga South, the Conservative critic for Housing, newly appointed, and give her our congratulations on her appointment.

I will answer her question by saying that I cannot imagine there is anybody who would approve of landlords' behaviour when that behaviour could be categorized as greedy, as gouging; I have forgotten all the adjectives she has suggested. It is very difficult, however, to answer a question in which she says, "What would you do about it?" We have set certain mechanisms in place to produce new rent control legislation, as she knows. I presume she has a follow-up question to that.

Mrs Marland: I have been given a specific example which seems to indicate that there is a landlord who is charging over 100% above the legal rent, and I would like to send this over to the minister so she has a copy of what we are talking about. A rental unit in Toronto was rented in 1982 for \$420.22. Based on annual guideline increases, this unit should today be renting for \$661.14. However, the tenants are paying \$1,325 for this unit. To the best of my knowledge, no applications have been made for increases

over and above the guidelines and thus the current rent appears to be 100.5% higher than legally allowable.

Will the minister investigate this situation and what action will she take?

Hon Ms Gigantes: I certainly will look into the situation. I will need a little more information, which I am sure the ministry and the member will help me get, which has to do with the age of the building and whether in fact there had been a notice to the landlord under the rent registry system and so on.

The rent registry system, as members will recall, was started back in 1987, but it was never put into action completely, because there developed a huge backlog under the existing Bill 51. Resources were totally devoted to trying to deal with that backlog. The rent registry system, however, will be in effective use for the large buildings in Ontario, I hope, by the end of this year. Certainly tenants will be in a position then to know what their legal rent is.

Mrs Marland: It is not going to be very difficult for the minister to pursue this particular case, because the brown envelope I received states that the landlord of this building sits with her at the cabinet table. This building, at 964 Avenue Road, is owned by the Minister of Community and Social Services. What action will the minister take now?

Hon Ms Gigantes: The action I will take on any complaint brought forward by this member or any other member will be the same as the action I will take in any other case.

ONTARIO ECONOMY

Mr Kwinter: My question is for the Minister of Industry, Trade and Technology. Before I ask him the question, I want to congratulate him on his new responsibilities and wish him well.

As members know, the state of business and manufacturing in this province is at crisis levels. Last year there were over 50,000 bankruptcies in Ontario. Last year there were over 250,000 job losses, two thirds of which were permanent manufacturing jobs. Many larger businesses, particularly in the resource sector, are being hard hit. In the Ontario pulp and paper industry, over 3,100 jobs have been lost so far.

Last fall, in a speech to Ontario business representatives, the Premier said, "The NDP believes very profoundly in building the partnership with business through negotiation and discussion." The Premier reiterated this yesterday in his economic renewal statement. Yet on August 7 of this year, the Minister of Labour approved a cabinet document which outlined numerous controversial changes to the Labour Relations Act. The communications plan of this document outlined a detailed strategy for squashing all business concerns, and the most telling passage of this document is where the minister states, "There must be a special effort made to neutralize all opposition from the business community."

I notice, Mr Speaker, you are getting a little anxious. I will tell you that my question to the minister is this: Does he condone these special efforts to neutralize the business community by his colleague the Minister of Labour, and does the minister feel that the neutralization of business is

what the Premier had in mind when he spoke about renewed relationships and co-operation?

Hon Mr Philip: The way in which the Minister of Labour is neutralizing business is by listening to it. He has a discussion paper out there. The Minister of Labour has met with the members of the business community. The very fact that the Minister of Labour has amended and changed a number of the earlier proposals in the first draft of that discussion paper shows just how flexible he is and how intently the Minister of Labour is listening.

Let me respond to the former minister's comment that businesses are somehow leaving the province. Let me just say that since I became minister, the Ontario Development Corp alone has created some 1,291 jobs, and indeed since February, 43,000 new jobs have been created. I would be happy to outline just a few of the companies in his own area, if he would care to ask me a supplementary on that.

Mr Kwinter: The minister does not seem to understand the implications of his actions or his responsibilities in this matter.

Let me give him an example. In July of this year, the provincial secretary of the New Democratic Party, Jill Marzetti, sent out a province-wide fund-raising letter. This is what the envelope looked like. It said, "One year later, big business is out to stop us." This is the actual letter. It went out, and I would like to read some quotes from it. It says: "But in our haste to make Ontario a better province, we ran straight into a powerful lobby that does not want us to implement that agenda. The lobby is big business. They are a loud, well-financed opponent of everything that we have done." She goes on to say, "Business is trying its best to stop us from doing the job we were elected to do." She concludes by implying that people must financially support the NDP if there is any hope of overcoming the Ontario business lobby.

Can the minister tell us, in his role—he stated it himself when he was appointed that he would be the champion of business—if in a competing jurisdiction, if we are competing with Buffalo or Quebec or Vancouver or Alberta and a businessman is shown this and it is said, "This is what the NDP thinks of business," what hope has he got of attracting anybody to this province, and what is he going to do about it?

1440

Hon Mr Philip: The business community knows what this government thinks of the co-operation between business and this government.

The plastics industry just signed a memorandum of understanding with my ministry outlining clearly how that industry and this ministry and the workers and the local communities would work together in that industry. That is what the plastics industry thinks of this government.

Let me tell the member what some other people think of this government. The president of the Ontario Chamber of Commerce has said that he is not only willing to work with this government, but that he is willing to go with me to meet the major investors in the United States and tell them what a great place Ontario is to invest in.

Does the member want to know what Ford Canada thinks of this province? Ford Canada is in the process of spending

\$500 million on a new plant in Oakville. That is what Ford Canada thinks of this province and this government.

Does the member want to know what Chrysler thinks of this government? Chrysler has announced it is increasing its capacity at Bramalea. That is what Chrysler thinks of this government.

Does the member want to know what is happening in Windsor? There is an extra shift on in Windsor. That is what is happening. I will take him around this province and I will show him how this government is working with industry to create new high-tech jobs, high-paying jobs and new joint ventures with the business community in this province.

That is what this government thinks of this.

AUTOMOBILE INSURANCE

Mr Tilson: I have a question for the Minister of Financial Institutions. An Angus Reid survey conducted earlier this month and released today indicates that 75% of Ontarians want the NDP government to keep its promise to restore the right of innocent auto victims to sue. This government promised to allow them to sue for loss of past, present and future income, plus pain and suffering.

There is now evidence today to suggest that the minister and his government are leaning in a totally different direction, that they plan to lower the current threshold tests, but allow innocent victims to sue for pain and suffering only, and not for their loss of income, long-promised by this government. Will the minister confirm that his officials have indicated this direction, and if true, will this result in an even further loss of rights for those victims than has been witnessed under the previous Liberal administration?

Hon Mr Charlton: I welcome the member as my new critic and hope we have a long, enjoyable relationship.

Having said that, let me say first of all that my officials did not indicate anything. There was an announcement made by the Premier and by myself on September 6 of this year that very clearly set out the answer to the question the member is raising today. We made an announcement that we intended to proceed with significant reform of the auto insurance system, including major product reform, that included benefits reform, financial-loss benefits, indexing and removal of caps and tort for pain and suffering. That is what the announcement said on September 6. That is what was discussed with the media at the scrum after September 6. That is what has been discussed on several major media outlet shows since that time. This question is three weeks old.

Mr Tilson: Is the minister telling us that he is going to allow for loss of income for economic loss? If that is the case, that is fine, because that is not what I understand his officials have been saying.

Certainly part of the uncertainty and confusion resulting from this issue is created by his government's own process since its luxury resort deliberations. The minister was told today by representatives from the Committee for Fair Action in Insurance that the only non-governmental representatives to his working group, a group working to create his new plan, are from the insurance industry. That is all. Victims' rights, medical rehabilitation and advocacy groups are only to be

consulted some time in the future. He is not consulting them up to this point.

This is from a government that makes hollow commitments to the consultative process. Once again, the government seems to have made a decision before its so-called consultations have begun. The government's process is a sham. It is worse than the Liberals ever were. I expect its new bill is already at the printers. Why does the minister not open up his working group to include participants from the other interest groups and not just from the insurance companies, which have probably drafted the bill for him?

Hon Mr Charlton: The member is incorrect on all counts, and the group which held the press conference this morning was in fact ill-informed. There are several working groups which have been set up with industry. They are not drafting anybody's plan; they are consultation groups. My ministry, myself and my staff started consultations in the middle of last week with the very groups the member is referring to. The group which had the press conference this morning happens to be meeting with the minister this Friday afternoon. The consultations are ongoing. No decisions have been made about the precise definition of the threshold or any of the other parts of the package, because it is a package that has to be worked out in pieces that fit together. When the consultations are finished, this minister will take responsibility for making an announcement on behalf of the government once it has been approved by the cabinet, not by working groups set up in the industry.

LANDFILL SITE

Mr Duignan: My question today is to the Minister of the Environment. Last May 15 in this House, I asked the minister about a proposal by Reclamation Systems Inc to create a private landfill in the Acton quarry site, a site which most people in my riding oppose and which they pay 3% of their local taxes to fight in the courts. At that time, I also asked the minister whether she would ensure that no environmental assessment hearing would take place if the site is found to be environmentally unacceptable. Could the minister please update this House on where these proposals are?

Hon Mrs Grier: I am glad to have an opportunity to do that because I certainly am aware of the honourable member's interest in this particular proposal and the interest of his constituents. I think he had a petition with 12,000 names on it that he presented to this House in the spring. As members will be aware, Reclamation Systems Inc has applied to create a landfill site in the Acton quarry. The application has now been reviewed by the various ministries and that review is almost completed within my ministry. I am glad to be able to tell the member that.

Mr Duignan: The minister has spoken in response about a government review on this landfill proposal. Will she please tell the House when she plans to release this document and whether she can ensure this House that no hearing takes place if the site is found to be unacceptable for a landfill site?

Hon Mrs Grier: The next phase after the document has been reviewed by the various ministries and by my

ministry is for it to be released for public comment. I hope that can happen very shortly.

With respect to the second part of the member's question, as to whether or not I can declare the site unacceptable for a waste disposal site, I think the member is aware, as are other members of this House, that the company has a right, under the Environmental Assessment Act, to proceed to a hearing if that is its wish.

1450

TIMBER MANAGEMENT

Mr Ramsay: As the Minister of the Environment knows full well, the Ontario Environmental Assessment Advisory Committee submitted a report to her in June that we still have not seen. This is a report that included hearings on three timber management plans in northeastern Ontario in the Ranger Lake area. The minister knows for sure whereof I speak. We have not seen the results of this report yet.

I would like to remind the minister of, and just read back to the minister, a commitment the Minister of Natural Resources made to this House on 7 May. He said: "I have made assurances to the tourist operator who is interested in the particular outcome of this EAAC hearing that we will put things on hold. At this particular time I do not see any reason why we should change that assurance."

I was wondering if the minister stands by this assurance today in this House.

Hon Mrs Grier: I am not prepared to comment on the details of what the Minister of Natural Resources has said, but I am certainly familiar with the report from the environmental assessment advisory committee to which the member refers. I have had discussions with respect to the recommendations of that report with my colleague the Minister of Natural Resources and I hope to be able to release some decisions on that very shortly.

Mr Ramsay: We have a problem here, because we have an advisory committee to the Minister of the Environment and we have not seen this. This is under wraps, so we do not know what those recommendations are. But in the members' gallery today we have George Nixon, who is the tourist operator who asked that this be examined. According to Mr Nixon, logging roads have penetrated this area and harvesting commenced in this area last summer. Yet we have not seen the report and we have not seen those recommendations.

The Minister of Natural Resources has given us assurance that this would not happen. Is this an environmental-assessment-sensitive government or not? What is the recommendation of the ministry and what is going to be the future of the harvesting in this area?

Hon Mrs Grier: This is indeed an environmentally sensitive government and, contrary to other governments, it is a government in which all ministers take the environment into account when they make their decisions. My colleague the Minister of Natural Resources has discussed with Mr Nixon the particular situation with respect to that request for a full environmental assessment.

Interjection.

The Speaker: Order.

Hon Mrs Grier: As I am sure the member is aware, the reports of the environmental assessment advisory committee are made public at the time the minister's decision is rendered. I assure him I intend to follow that practice.

Mr Scott: There goes your credibility. Timber!

The Speaker: Order.

Mr Scott: The member for St George-St David?

The Speaker: The member for St George-St David.

Mr Scott: I just wanted to know, Mr Speaker.

The Speaker: We know you are here.

MARKETING BOARDS

Mr Villeneuve: My question is to the Minister of Agriculture and Food. Yesterday he made remarks in committee during the emergency debate on the farm income crisis. We do have a major crisis on our hands. He told us he fully supports article XI of the GATT and his two parliamentary assistants also said he and his government support that.

The minister knows the marketing board system works because the boards are allowed to determine a fair price based on the cost of production, the true and real and proven cost of production. Now, if he really supports marketing boards, can the minister explain why he threw out and overturned the price determined by the broiler chicken marketing board and imposed a reduction of 12 cents per kilo? How can he substantiate both issues?

Hon Mr Buchanan: The member, if he was to look at the facts a little more closely, would find that I did not overturn the price. It was the tribunal that upheld a 12-cents-per-kilo reduction in the price of chicken. It was not the minister. There was an appeal to me to do something about that. That appeal is pending in my office.

Mr Villeneuve: The Farm Products Appeal Tribunal is under the minister's direction. He appoints them, and if they do have the power to set the price, then forget about marketing boards. The minister is supposed to be supporting them. If they have that power, let's forget about boards.

John Core of the Ontario Milk Marketing Board said yesterday: "Unless marketing boards have effective border controls, restricted production and cost-of-production-based pricing, forget about the boards. Any one of those components destroys them."

It is under the minister's direction. What does he intend to do about what his appeal tribunal did?

Hon Mr Buchanan: Clearly with supply management the intent is to control the supply from the producers' side so they have a sense they are producing the required amount of any given product for the market. That is one side of the marketing board concept. The other side is they have some sense of control over pricing. The different commodities have different systems depending on whether it is milk, eggs, chicken, etc.

The member across has identified a problem in terms of a rollback using a process that has been in place that we helped to reinforce recently. In August, we came up with a new way of working with an agreement to price. The tribunal, which is part of that process, upheld the processors' request for a rollback. That is unfortunate. It indicates, perhaps,

that the board does not have enough clout, if you will, to set the price. That is something there is room to look at and examine to support and enhance the chicken producers' right to set prices.

COLLÈGES DE LANGUE FRANÇAISE EN ONTARIO

M. Bisson : Ma question est pour le ministre des Collèges et Universités. Comme on le sait, le gouvernement a annoncé dernièrement la création possible de collèges francophones ici en Ontario. J'aimerais savoir à quel point on se trouve dans les négociations avec le gouvernement fédéral.

L'hon. M. Allen : Comme le député de Cochrane-Sud le sait, un des faits saillants à l'égard du niveau de participation de la communauté francophone dans l'éducation postsecondaire est que c'est en général de 50 % relative à la population générale non francophone.

En comparaison, aux niveaux élémentaire et secondaire, depuis qu'on a développé un réseau d'écoles francophones, on a trouvé un niveau de participation presque égal au reste de la population. Donc, pour le relancement de l'économie et aussi pour l'équité sociale pour la communauté francophone, j'ai suggéré le commencement de pourparlers avec le gouvernement fédéral visant le financement de l'expansion d'un réseau collégial pour les francophones ici en Ontario.

M. Bisson : On connaît un peu la situation du gouvernement fédéral qui se trouve avec son système de finance et aussi un peu l'attitude qu'il a prise envers les provinces et envers ses responsabilités. Est-ce que le ministre a une idée à quoi s'attendre des négociations avec le gouvernement fédéral ?

L'hon. M. Allen : Comme le sait le député, nos circonstances fiscales sont assez difficiles. Donc, il faut avoir des pourparlers avec le fédéral concernant le partage du financement d'une telle initiative. Quant à nous, il est très important que ce soit une initiative conjointe, provinciale et fédérale, pour le bon succès de cette initiative collégiale ici en Ontario.

ASSISTANCE TO FARMERS

Mr Mancini: My question is for the Minister of Agriculture and Food. Yesterday, during the agricultural hearings at the standing committee on resources development, the minister confirmed that he would be meeting on September 30 with the Essex county drought committee, which is made up of local Essex county farm leaders. I am sure he has been fully and properly briefed as to the severity of the financial crisis facing Essex county farmers due to the worst drought in over 40 years. Is the minister making plans to free up resources within the Ministry of Agriculture and Food to help drought-stricken farmers survive for the next farming season?

Hon Mr Buchanan: I was in Essex county last weekend to personally have a look at the severity of the situation. I recognize that it is severe and there will be assistance required. I think I mentioned yesterday, in response to a question, that we are looking at a package we are putting together which will address the needs of people in agricul-

ture, grains and oilseeds as well as the drought situation in Essex.

Mr Mancini: I want the minister to be very clear to the House and to the farmers of Essex county, parts of Kent county and other portions of southwestern Ontario that have been severely affected by the drought. He is working on a plan to provide assistance, I assume, to all farmers in Ontario because of their high input costs and low commodity prices. But the problem I speak of is different from the one I just described and I want to make sure we are talking about the same things.

The farmers who are coming to the meeting on September 30 are going to want more than public relations, a coffee and a handshake when they leave. They want to know whether or not the plans the minister is working on are going to be separate and over and above the other assistance he is promising farmers in Ontario. I want to bring to his attention the fact that his parliamentary assistant has already promised such assistance over and above the regular assistance the minister is now working on. Can we be clear on what the minister is going to do, please?

Hon Mr Buchanan: I have tried to make it clear for the member that we are interested in addressing the situation in general, and specifically the drought situation in Essex-Kent, which I might add also touches other counties. It is most severe in Essex-Kent, but it does touch on other counties in southwestern Ontario and southeastern Ontario as well.

The challenge we face—and I put this question to the producers and the farmers I met last weekend down in Essex county—is if I had X million dollars, how would I distribute that to the people who are affected? In other words, we need a mechanism to know, given a certain amount of money, how we might distribute it to those people who need it most. At first the producers said, “That’s a silly question,” and after we discussed it for a while, they realized that there was a difference of opinion, at least three or four different ideas, as to how that money might be distributed.

I would ask the honourable member if he has ideas, because we have not yet determined how that might be done. It is very complicated and I do not want to take up the time of the House to talk about the different options, but I would be interested in talking to the member about his preferred option for assistance for people in the drought situation across the province.

1500

HEALTH LEGISLATION

Mr J. Wilson: My question is to the Minister of Health. The minister should be aware that many legitimate concerns have been raised recently regarding her government’s consent-to-treatment legislation. While we would agree, and I think all members would agree, that a degree of advocacy on behalf of patients is good and necessary, it is clear that her bill as it is worded will cause more problems than it can ever hope to resolve.

I want to know how the government can justify spending an additional \$30 million to implement this legislation,

if it were to pass—this legislation that is so riddled with holes—at a time when tax dollars are very scarce indeed.

Hon Ms Lankin: I will address the member’s question particularly with respect to the consent legislation itself. I think he is at this point mixing two issues with respect to the advocacy legislation that the Minister of Citizenship has brought forward and the consent legislation that the Ministry of Health has responsibility for, although there is a very clear interrelationship between the two pieces of legislation.

You will know, I am sure, Mr Speaker, that in reports in the newspaper there have been some concerns raised with respect to the provisions of the legislation in terms of the drafting. Some of the things that have been suggested by some critics of the legislation as concerns areas that would give rise to concern on the part of any government. It certainly is not the intent of the legislation. I have asked people within the ministry in the legal drafting branch to take a look at it, and they feel the concerns are not factual in terms of the basis of the actual wording of the legislation. But I am more than willing to take a look at that.

As the member knows, we are going to committee hearings on this and we are certainly open to hearing those kinds of comments and criticisms. In the meantime, I will take a look at that even before we get to committee and if I can offer any assistance or amendments or advance notice of that to the committee, I will do that.

Mr J. Wilson: The minister knows very well I am referring to her piece of legislation, Bill 109. She should be aware that this legislation is going to create another incredibly large layer of bureaucracy, another pile of government red tape, and it is going to serve as an impediment to health care professionals in carrying out their present duties.

Dr Moran, a dentist who performs facial construction at the Hugh MacMillan Rehabilitation Centre, which is a centre that caters to the needs of disabled children, maintains that the legislation will result in treatment delays, which in turn will mean even longer lineups for the people of Ontario who need health care services.

The Premier speaks so very often, and often eloquently, about social justice. But where is the justice when we know that the minister’s legislation will hurt the very people it is intended to help? Is the minister prepared, as she should be, to withdraw her consent-to-treatment legislation and replace it with a bill that addresses the real need we all know is out there?

Hon Ms Lankin: Again I have to say to the member that he is wrong to lump the two pieces of legislation and to say to me that I know very well he is talking about my legislation. I know very well that he is talking about the Minister of Citizenship’s legislation with respect to the advocacy function and with respect to what he calls creating a structure and a group of people to deal with that.

With respect to the consent legislation, I take very seriously the concerns that have been raised. The government has no intent of bringing forward legislation that would cause further delays that would cause those sorts of problems. I am not sure in fact that the legislation does that, but I have heard the concerns that have been raised. I spoke this

weekend with the author of a report who was quoted in the newspaper article that was in the paper yesterday. I take very seriously those concerns. I have asked for that to be reviewed and I will be moving on that. If there need to be amendments, if there needs to be restructuring, we will do that.

SEXUAL ASSAULT

Ms Poole: My question is for the Attorney General. Last month the Supreme Court of Canada struck down the rape shield provision of the Criminal Code, which restricted the right of defence lawyers to question women about their sexual history. The ground was that this provision infringed the Charter of Rights and Freedoms.

The federal government has indicated that it plans to enact new legislation, but so far we have seen nothing in this regard. Just last week the Toronto Star reported that a new trial has been granted to a man previously convicted of sexual assault because he was prevented from questioning one of the victims about her claim of previous sexual assault.

Already the fallout from the Supreme Court decision is becoming apparent. I would like to ask the Attorney General what he is prepared to do to protect victims of sexual assault from undergoing further ordeals because of the ruling.

Hon Mr Hampton: I thank the member for the question. She perhaps does not know that earlier this summer the Minister without Portfolio responsible for women's issues and I met with a number of women's organizations from around the province. I attended a justice ministers' conference in Yellowknife, where I spoke directly to the Honourable Kim Campbell, the federal Minister of Justice, and gave her our advice and the advice of several women's organizations in Ontario as to what kinds of amendments to the Criminal Code might be advisable and as to what other measures the federal government might undertake with respect, for example, to judicial appointments and judicial education. So to this point we have acted as directly as we can with respect to dealing with the root of the problem, which is fundamentally the section of the Criminal Code which was struck down by the Supreme Court of Canada decision.

Ms Poole: Certainly we recognize that it is the duty and responsibility of the federal government to deal with changes to the Criminal Code in order to effect protections for women in this regard. However, on August 27, the Attorney General and the minister responsible for women's issues held a press conference at Queen's Park in which they stated unequivocally that the NDP government is prepared to act to lessen the effects of the Supreme Court decision.

I believe the Attorney General made two statements: one, that he was prepared to take steps to train and sensitize crown attorneys, for instance, and two, that he also proposed that experts on sexual stereotyping testify in every serious sexual offence trial to ensure that judges understand what is expected of them and understand what women are up against in the justice system.

While I recognize that the federal government has a part to play, so does the Ontario government. What I would like to ask the Attorney General is why he has not acted on these two recommendations he had put forward.

When are we going to have action and when is he prepared to protect the women of this province?

Hon Mr Hampton: I can inform the House that the Ministry of the Attorney General has already hired the services of a consultant who is at this time designing a program to sensitize and deal with issues of sexual stereotyping as they relate to crown attorneys and their work. We have also under way discussions with the provincially appointed judiciary with respect to courses for them dealing with sexual stereotyping and other sexist issues in the court system.

Finally I can advise the House that on a case-by-case basis, we will call expert evidence to deal with some of the sexist issues we find in the court system. I want to point out to the member, however, that fundamentally this is an issue which the federal government can and must deal with legislatively. Once we see what they are doing legislatively, we will be better able to tailor our response to deal with what they have not been able or have been unwilling to deal with.

1510

COURT SYSTEM

Mr Harnick: My question is to the Attorney General. In the month of February 1991, 2,000 claims were issued in the Toronto Small Claims Court. The Attorney General has expressed the opinion that this is the most important court we have, yet we have a court, which normally has a complement of 13 full-time judges, for the last year only having eight full-time judges in place. There are five vacancies and there are no appointments on the horizon.

The court also runs with the anomaly of having a \$1,000 jurisdiction outside of Metropolitan Toronto and a \$3,000 jurisdiction in Metropolitan Toronto. The court is the people's court. When is the Attorney General going to provide us with the necessary changes to make that court work?

Hon Mr Hampton: I thank the member for his question. First, he inquires as to when appointments can be made to the Small Claims Court. I want to inform him that as a result of changes made in the legislation by my immediate predecessor in the office of the Attorney General, the province can no longer make those appointments. The Small Claims Court is now a court to which federal judges must be appointed, and we are not in a position to make those appointments at this time.

The member indicates that there is a problem with respect to divergent jurisdictions within the Small Claims Court, that it is \$3,000 within the city of Toronto and \$1,000 outside of the city of Toronto. I agree with him that this is a serious problem. I can say to him that is a problem that has existed for some time, that existed throughout his government which originally created that problem and that existed through the former government's reign. As soon as we have the opportunity to finish our review of the Small Claims Court, we will be doing something about it.

Mr Harnick: I beg to differ with the Attorney General that he cannot make those appointments. The Small Claims Court judges are not section 96 judges, although they are in the General Division. They have been lumped into the General Division of the court, and it is interesting

to note that section 96 judges are protected by judicial immunity. Small Claims Court judges do not have that immunity. The provincial court criminal judges have judicial immunity under the Courts of Justice Act. They were grandfathered; the Small Claims Court judges were not. We now have eight full-time Small Claims Court judges and numerous part-time judges who are sitting in courts without statutory immunity. I beg to differ with the Attorney General that he cannot appoint judges. He can because he is not appointing section 96 court judges.

The Speaker: And your question?

Mr Harnick: When is the Attorney General going to protect the judges who are now out there who do not have statutory immunity? When is he going to make the necessary amendments to this court that has over 2,000 cases a month coming in to one court alone in the city of Toronto?

Hon Mr Hampton: Again I would ask the member to read the legislation carefully. As the legislation now stands, we can no longer appoint provincially appointed judges to the Small Claims Court. We can appoint deputy judges. However, I am sure the member knows that around the province there is some controversy as to the extent to which we should utilize deputy judges. We would prefer to proceed in an orderly manner when we are prepared, which I hope will be some time later on this fall. I think we will be able to respond to all of these issues as indeed former governments should have done.

MOTIONS

PRIVATE MEMBERS' PUBLIC BUSINESS

Mr Cooke moved that Mr Sola and Mr Mancini exchange places in the order of precedence for private members' public business.

Motion agreed to.

COMMITTEE SUBSTITUTIONS

Mr Cooke moved that the following substitutions be made to the membership of the committees of the House:

On the select committee on Ontario in Confederation, Ms Carter for Ms Gigantes; Mr Drainville, who shall be Chair, for Mr Silipo;

On the standing committee on administration of justice, Ms Carter for Ms Gigantes; Mr Cooper for Mr White;

On the standing committee on estimates, Mr O'Connor for Mr Ferguson; Mr Farnan for Mrs Haslam;

On the standing committee on general government, Mr Marchese for Mr Duignan;

On the standing committee on government agencies, Ms Carter for Mrs Haslam; Mr Marchese for Mr Silipo;

On the standing committee on the Ombudsman, Ms Haack for Mr White;

On the standing committee on public accounts, Mr White for Mr Cooper;

On the standing committee on regulations and private bills, Mr Farnan for Mr Ferguson; Mr White for Mr O'Connor;

On the standing committee on social development, Mr Wessinger for Mr Silipo.

Motion agreed to.

PETITIONS

FRENCH-LANGUAGE SERVICES

Mr H. O'Neil: I have a petition which I would like to read and also have presented to the Lieutenant Governor. It is a petition from approximately 400 people from my riding. It talks about Bill 8, and I present it, not that I agree with what is said within the petition but because I believe that those people within my riding would like to be heard. Therefore I do it for that reason.

The petition reads:

"To the Honourable the Lieutenant Governor of the Legislative Assembly of Ontario:

"We, the undersigned, beg leave to petition the Parliament of Ontario as follows:

"Whereas it is the duty of a free people to constantly guard and, if necessary, defend those freedoms; and

"Whereas the French Language Services Act elevates one linguistic group into lawful but unjust privilege over 95% of all Ontarians; and

"Whereas the French Language Services Act had since November 18, 1986, been implemented in secret without the public being aware of its implementation, in which access has been denied to the public and even to the elected members of this assembly; and

"Whereas such implementation is plunging forward at enormous cost while health care, police and fire protection, municipal grants, education and the environment are experiencing cutbacks in funding; and

"Whereas no minority can expect for long to enjoy the advantages of a law that shows such reckless disregard for majority sensitivities; and

"Whereas the views of the majority of the citizens of Ontario were not represented on November 8, 1986, as only 55 of the 125 elected members of the Legislative Assembly were present to vote,

"Therefore, to preserve patience and goodwill, in the name of justice and for the love of harmony, we implore this House to repeal the French Language Services Act, Bill 8, at the earliest moment."

As I say, I present this on behalf of those people, but I certainly do not agree with the contents of this petition.

OATH OF ALLEGIANCE

Mr Carr: I have a petition signed by approximately 250 residents from the Oakville and Burlington area.

"To the Legislative Assembly of Ontario:

"Whereas the Queen of Canada has long been a symbol of national unity for Canadians from all walks of life and from all ethnic backgrounds; and

"Whereas the people of Canada are currently facing a constitutional crisis which could potentially result in the breakup of the federation and are in need of unifying symbols;

"We, the undersigned, respectfully petition the Legislative Assembly of Ontario to restore the oath to the Queen for the Metro Toronto police officers."

1520

ORDERS OF THE DAY

INCOME TAX AMENDMENT ACT, 1991

LOI DE 1991 MODIFIANT LA LOI DE L'IMPÔT
SUR LE REVENU

Ms Wark-Martyn moved second reading of Bill 83, An Act to amend the Income Tax Act.

M^{me} Wark-Martyn propose la deuxième lecture du projet de loi 83, Loi portant modification de la Loi de l'impôt sur le revenu.

Hon Ms Wark-Martyn: This bill, An Act to amend the Income Tax Act, implements the Treasurer's budget proposal of April 29, 1991, to increase the personal income surtax rate. The surtax rate will change from 10% to 12% of Ontario income tax in excess of \$10,000 for the 1991 taxation year. This increase will add \$60 million in revenue for 1991-92. The surtax rate for the 1992 and subsequent taxation years will be 14%. The tax system is now more progressive because it ensures that people with higher incomes pay a greater and more equitable share. Taxpayers with taxable incomes of more than \$84,000 will be affected.

I would like to add that an amendment made to a regulation under this act will implement the Treasurer's announcement to enrich the Ontario tax reduction program. This program greatly benefits people with lower incomes. Effective for 1991, the \$200 supplement provided for each dependent child age 18 or under and each dependent with a disability will be raised to \$350. This means that a single parent with two dependent children earning up to \$22,500 will no longer pay any personal income tax, as the tax reduction will eliminate the Ontario tax payable.

This change will result in the reduction or elimination of Ontario income tax for approximately 700,000 low-income taxpayers. This is the largest enrichment made in the history of the Ontario tax reduction program. These measures are a clear demonstration of this government's commitment to a fairer tax system.

Mrs Y. O'Neill: I am pleased to rise this afternoon to discuss Bill 83, the Income Tax Amendment Act. This legislation implements the NDP's announcement in its 1991 budget of increasing the provincial income tax surcharge. This amendment to the Income Tax Act is part of a package of 11 tax increases contained in this budget to engender \$1 billion in new revenues.

In its April 29 budget the government announced that effective July 1, 1991, the income surtax rate in Ontario will be increased from 10% to 14% of Ontario income tax in excess of \$10,000. This increased tax will affect Ontario taxpayers who earn more than \$84,000 per year and will generate \$60 million in additional revenue this year and \$90 million in subsequent years.

There are some fundamental questions that we must ask ourselves and this government about the direction of taxation policies. Are some measures to redistribute taxes which will provide revenue income for the government, such as those being contained in Bill 83, different? They are being made now. Other tax incentives, called fair tax incentives, are being put off until some unknown time in

the future after the report of the NDP commission. This government seems to have put comprehensive tax reform so far back on the burner that it has completely lost sight of the promises made to Ontario taxpayers during election 1990 and many times since. All we hear about the NDP tax commission is that this and that have been referred to it.

The most devastating aspect of the taxation and spending policies of the 1991 budget, of which Bill 83 is part, is the legacy of high debt and higher future taxes which will have to be borne by the governments which follow this one and, more important, by each and every Ontarian and Ontarians yet to be born. I do not have to remind anyone in this chamber that the Treasurer has projected three more years of consolidated deficit in excess of this year's deficit. Lord only knows what that is going to turn up after the questioning we had in this House today.

The budgetary plan of which this bill is part will require at least \$5 billion in new taxes over the next three years. It leaves us to wonder whether it is an intention of this government to raise the rate of the surtax or to lower the taxation level at which such a surtax would kick in in future budgets, thus forcing a larger and larger number of Ontarians to pay the debts incurred by this government's policies.

As members know, we in the Liberal caucus conducted our own budget review tour last spring. During that most interesting process, of which I was a part, we heard a number of Ontarians voice their concerns regarding the tax increase contained in this budget. Day after day, city after city, delegation after delegation had the same message. In fact in the minister's own riding, Jack Masters, the mayor of Thunder Bay, shared with our committee his concerns about the provincial debt and the loss of Ontario's top credit rating.

Mr Masters stated that the loss of the credit rating increases borrowing costs for all municipalities, including Thunder Bay, and drives up their costs, which municipalities cannot control. Is this an example of the municipal-provincial partnership this government says it is trying so hard to foster and is indeed setting up bureaucratic structures to support?

The recognition that high deficits must eventually be paid through higher taxes is something that was brought forward to our budget tour over and over again. The people of Ontario, the people who walk the streets and run the businesses and pay the bills in this province, understand that.

Every person in Ontario knows why taxes such as the income surtax are going up. This government has announced that it will be looking at another \$700 million, at least, in spending cuts. We can only conclude the taxes are not going up because we are going to get new services; they are going up to pay for mismanagement and policy decisions that this government is wrongly pursuing.

The conclusion we are left with is that taxes are going up for really no reason, with no focus. This bill would not be necessary if the NDP were better able to manage Ontario's economy. This bill is before us today because the NDP government has allowed the province's unemployment rate to go up to 10%, putting it above British Columbia, Alberta, Saskatchewan and Manitoba.

The unemployment rate in this province has increased by 60% since the NDP took office, indeed a large drain on this province's revenue. Perhaps the Minister of Revenue will tell us that unemployment is not the NDP's fault, indeed not her government's fault. She would like us all to believe that the recession is to blame or that the federal government is the most convenient scapegoat. But I would ask the minister to justify the tax increase we are debating here today not in terms of whom she can pass along the blame to, but in terms of the economy and the province's revenue requirements.

When every other province in Canada posted a decline in unemployment rates between April and June 1991, Ontario was the exception. When the number of Ontario's unemployed not only does not decline, but in fact is still increasing in those two months I have mentioned, how does the Minister of Revenue explain the need for revenue initiatives such as Bill 83 unless she will admit that her government has fallen short of the expectations of the people of Ontario?

The Premier is right when he goes to the first ministers' conference in Whistler and slams his fist on the table and says Ontario is a have-not province. A have-not province indeed: The NDP has seen to it that in a very short time Ontario has become an NDP province, a have-not province. That is why it needs to raise new revenue to pay the bills and that is why this legislation is before us today.

1530

I could go on to list other economic statistics: bankruptcy rates up over 66% from last year; over 95,000 manufacturing jobs have disappeared in Ontario between January and June of this year, according to Statistics Canada; the number of layoffs that are due to plant closures, 66%, has more than tripled the numbers we experienced in the recession of 1982. But the recitation of the fiscal failures of this NDP government are too long for me to detail at this time.

However, it is clear the Minister of Revenue has been given her marching orders to find some fast cash. Indeed, revenue collection is a priority of this government and she is following those orders in this bill. In the meantime, other important structural issues in her ministry which would stimulate the economy, thus reducing the need for new taxes, have been put on the back burner.

There seems to be no rhyme or reason to the NDP tax policy, except that it is making easy decisions today and putting off the hard decisions until tomorrow and beyond. Revenue is a top priority, but is it well placed by this government, I ask, and so do most Ontarians?

Mr Sterling: I want to say at the outset that my party will be opposing this bill, as it will be opposing all the tax legislation which has been introduced by this minister, including Bills 83, 84, 85, 86 and 130, which we will be debating over the next few weeks.

We are opposing this legislation because we believe the citizens of Ontario have been taxed and taxed and taxed. This was started primarily by the former Liberal government when we saw some 33 tax increases, which increased revenues by some 123% or 130% over a period of five years. You would think the new government would have learned from the defeat of the former government that

you cannot go on taxing for ever without some political consequence.

This income tax increase follows a precedent that was set by the former government. I believe that when the former government took over in 1985 the personal income tax rate was about five or six points less than it now stands in terms of the Ontario tax rate. It was down, I believe, at that time around 47% or 48% of the federal tax. Over the past five years it has risen about a point a year, going from 48% to about 53%. So those people who are earning in the high income bracket, whom this particular amendment affects, are now paying 5% more of their income than they were back around 1985-86.

In addition, the Liberal government in 1985 started to charge a surtax. It started at 3% on federal tax over \$5,000. It then jumped to 10% provincial tax over \$10,000, so it did not affect those people who were paying federal income tax between a \$5,000 and \$10,000 rate. These figures, when you start throwing them all together and you do not have a piece of paper in front of you explaining what they do, are somewhat confusing, and I realize that. But the bottom line now is that those very high income earners who are earning taxable income around \$84,000 are now paying about 49% of the \$84,000 in taxes, either to the provincial government or to the federal government, but the total package is costing them 49% of their taxable income.

The problem with this is that one can argue that the rich should pay more—I do not disagree with that particular philosophy—but there comes a breaking point in every person's desire to earn more income. There used to be a story before Margaret Thatcher and the Conservative government took over in Britain, I believe in the late 1970s or early 1980s. In socialist Britain at that time, there was a very marked difference in how people looked at people who were more fortunate in society. The story went that in the United States if a person saw another person driving by in a Cadillac, the American would say: "I'm going to get a Cadillac some day. I'm going to work hard enough. I'm going to be able to get a Cadillac." The story went that in Britain a person standing on the street in London who saw a Rolls-Royce go by would say, "I'm going to bring the person who's driving that Rolls-Royce down to my level." That is the problem with continuing to increase income tax rates over a period of time, which we have experienced in this province in particular.

The experience, I believe, of many of the European jurisdictions has been that they no longer can raise personal income taxes without damaging their ability to compete in the European common market. I understand that very socialist countries like Sweden have dropped their personal income tax rates dramatically in the last four or five years, because what they found was happening to them in Sweden was that the engineers, the scientific people, the mathematicians, the people who generate the basic wealth in their country were saying, "I don't need to work in Sweden; I can go to Germany," or, "I can go to France," or, "I can go to another country where the personal income tax rates are lower than in my country." Part of the decision of people who are in the work world, of course, is related to the financial remuneration for what they put out at work.

People who are in the legal profession or in the civil service or perhaps teachers, perhaps certain other kinds of professions, do not have the ability to go from one jurisdiction to the other without changing their qualifications in order to take up their profession somewhere else. But generally speaking, those professionals are people who are, I admit, very important to society, but are people who receive, either directly or indirectly, payment through tax revenues and are not generators of primary wealth like the engineers, the scientists, the young and bright entrepreneurs who can sell their services and their skills not only in their own jurisdiction but can sell them in any jurisdiction they might choose.

1540

This is happening not only in Europe, but in our very own jurisdiction. I can remember well meeting a constituent in the small town of Greely in the township of Osgoode, which is just south of Ottawa, during the last election, talking to a highly skilled technician who was involved with equipment that was used in terms of control of airports. He was able to sell his skills either in Ontario. He could sell his skills in any part of the United States, and people in the United States wanted him to go there. He said to me that he liked living in Ontario and Canada, but the fact of the matter was that enough was enough and that he could get the same quality of life in a state of the United States and have more after-tax income for him and his family to spend on what they desired.

I also have a personal story that is involved in this. I have a sister who lives in Minneapolis, and my sister and her husband were very successful in their own right. Her husband was the vice-president of a very large food processing company—Pillsbury—and was in charge of all the production facilities for Pillsbury in the United States. At one point he was in charge of all their research and development.

But my sister Jackie and her husband John had five children. Some of them were born in Canada as he moved around to various places during his career. All of those children have gone through university at this stage, some of them obtaining post-graduate degrees, two from Harvard. None of them, unfortunately, is back here in Ontario, although they have a great affinity for Ontario and Canada. The options for them are so much greater in the United States, not only in terms of what they can receive for the services they can render, and I think there are three engineers in that family, but their after-tax income is so much greater.

What will be thrown back at me by the socialists will be, "Yeah, but they don't have health care, they don't have the education programs that we have here." I say to them, it is a lot of hogwash for these kinds of young people, because they can buy better health care down there than we have in Ontario, because the health care that they have down there they can gain access to when they need it, because young people who are skilled, people who are entrepreneurial, who are bright, can get the same benefits because they are recompensed or they are given enough money to go out and buy those kinds of things.

You might say, "Well, that's fine and dandy, but you know, we have to tax the people who are doing well much more than the people who are doing not so well." But you

have to remember that even though we are taxing the income of these people at 49%, almost 50% now, of what they are earning in their next dollar, they also pay a great many other taxes in addition to their income tax. They are paying provincial sales tax, they are paying GST, they are paying any number of other kinds of taxes that they are going to get hit with if they buy anything larger than a very small car. I think a Sprint is the only car that does not have a gas guzzler tax on it. They are going to get caught with that as well.

The problem here, in terms of our opposition to this tax, is that we are not objecting to a 2% or 4% increase on a surtax, which will only add a very small amount to the total tax bill of these individuals who are doing quite well in our society; it is the cumulative effect of the former Liberal government, of raising provincial incomes taxes over the last five years by a percentage each year that is bringing us to a situation where the cumulative effect of all the taxes on the very bright young people and the very bright technical people is for them to say: "Maybe I should look at another option. Maybe I should look south and take my skills south because I can go there and the tax load on me will be much less. I can buy the social services the Ontario government provides to me because I'll have more income to purchase those services and overall my family will be better off in a financial sense." In many cases they will be as well off as here in terms of quality of life.

I think another point that is extremely important to point out is that the federal government recognized this problem with rising income taxes. When they put forward their tax reform proposals, which included the GST, they dropped the level of income tax the federal government was collecting, in order to give more incentive to people at all levels of taxation rates to work harder and earn even more, in order to drive them to be more productive in our society, in our province and in our country so that we could all enjoy the benefits of that hard work, even including the person who had put out the effort.

Part of that tax reform proposal was supposed to be, "We're going to put a general sales tax up"—the GST, which was very unpopular, as you know—"but we're going to give you this break on income tax." That was supposed to be the tradeoff. Unfortunately the federal government gave the break about two years before the GST, the provinces raced in and scooped up those income tax points and by the time the GST was introduced, everybody was paying what they formerly paid in income tax, and the federal government got blamed both ways even though it was the provinces who added the points. All members have to do is to look at what actually happened.

Interjection.

Mr Sterling: If members get the facts, they can see that is the truth and that is what happened. When we talk about the overall tax percentage any individual has to pay, a greater portion of that now is a provincial bite versus a federal bite than was the case five years ago. This continual increase in personal income tax has got to stop in terms of what is happening within our province and in our country.

We have heard anecdotal evidence that many people are moving to the United States.

Only two weeks ago when you, Mr Speaker, as part of the caucus of the Progressive Conservative Party, and all my colleagues went down to Brantford and stayed at a local Best Western hotel, not like a resort at Honey Harbour, where the New Democratic Party stayed, but in a modest hotel in Brantford where we had our caucus meeting—

Interjections.

Mr Sterling: We, being a party that is concerned about the expenses we pay—

Interjections.

1550

Mr Sterling: I thought that would wake them up. One morning Mr Harris, myself and several members of my caucus went out to meet a most interesting business near Paris, Ontario, which just happens to be in the riding of Brant-Haldimand. The fellow who was running that business was a civil engineer who had come from Alberta about five or six years ago and set up a company on the banks of the Grand River. He employs 35 people, half of whom are professionals. They have developed a machine and system in which they have world leadership. I believe the name of this firm is Highway Products International. This machine is contained in a truck and sells for between \$500,000 and \$750,000.

It takes a \$15,000 truck, puts computers inside this truck, puts television cameras inside this truck, and an operator can drive it 90 kilometres an hour down the road and that truck will measure the contour of that road within 1.5 millimetres. It will record every inch of the surface of that road on a TV camera. This is important in terms of the maintenance of the road surfaces of developed countries. Ontario has actually bought two of these trucks. They have sold about 23 or 24 trucks. Sweden is the only competitor to this individual and has sold about six machines.

The people working there are very, very skilled and highly technical. The president, Don Kobi, and his wife run the firm. They pour just about all the profits back into research and development; therefore, every cent that is taken out in tax from that very successful operation basically prevents them from putting more money back into their business in terms of research and development. He told a group of us, with a reporter present, that he was going to open a sales office in Buffalo, New York. His interest in opening this office in Buffalo was in order to obtain a better sales presence in the United States. He made no bones about it.

He said if the NDP government of Ontario continues to spend and tax as it now has done in this budget, he was going to have no option but to move. He said: "I love Ontario. I'm a Canadian; I've always been a Canadian. I think Ontario is a terrific province but it's going to chase me, my company and my employees out of this province and out of this country because I can't compete, I can't keep my research and development at the level I need to be able to keep it at. I need to pay my people very well because they're very skilled people. I won't be able to pay them and have the government taking half their

paycheques or nearly half their paycheques when they can look across the border and get a job with any number of employers in the United States, which has lower tax rates than here. I won't be able to compete."

I think that is a sad reflection on this government in terms of its continued policies of spending more and requiring greater tax increases, not only the one we are facing today, which is relatively minor in relation to the kinds of taxes we are going to face in this province over the next four years, as has been indicated by the Treasurer of this province.

I want to conclude by saying that we strenuously oppose any tax increase within this budget. We hoped that a year ago this new government would have come in with a very cautious approach to spending. This government did not take our advice. It went out and said it was going to spend more money even though we were in a recessionary period, and now we have heard over the last two, three or four weeks it is in deep trouble. Now it is going to have to slash expenditures. It is going to have to cut spending when we told it a year ago it should have started at that time.

This government has given to the civil service of Ontario a 14.3% rise in its salary operating budgets. That means while the rest of Ontario has been suffering, the government has raised the numbers within its ranks, expanded the number of people it has hired and increased their salaries while other people are losing their jobs. We only wish the government had taken our advice a year ago and it would not have found itself in the tight spot it is in at the present time.

We expect this will not be the last increase to income tax for people in Ontario, but we suggest to the government that if it continues to raise income taxes and other taxes, it will force people who have the mobility to move out of this province to sell their professional services in other parts of North America, Europe and other countries. We believe very strongly that penalizing any levels of income by raising income tax levels is no longer an accepted method of dealing with raising of revenue.

Other countries which are looking to the global market and which understand that the most valuable resources within their country are their best engineers, their best technicians and their best scientists, who can sell their assets other ways, have said, "We're going to drop income tax rates and gather our revenues in some other ways."

I would not have made that argument five, six or seven years ago, but the economy of the world has changed dramatically in the last four or five years, and those who do not compete in the global economy in terms of their tax structures and their productivity are going to end up with a population with a much lower standard of living because they will have lost the people who are creating the wealth. Last week I travelled to Cuba with a number of my friends in the Legislature.

Interjections.

Mr Sterling: Yes, I did, and I was proud to go and I was proud to pay my own way there and back. I paid my own way, as three other members of the Conservative caucus did and four members of the Liberal caucus did. The Cuban government paid for our hotel and our meals, which cost about \$300. Our plane ticket cost about \$500.

It was a tremendous experience. I was only saddened by the fact that there were six New Democratic Party members who had signed up for the trip who were told at the very last moment, "You can't go even though you put your money out for a ticket." They were told this at the last moment. Even though during all the negotiations the Premier knew that all parties had agreed to go and were willing to pay our way—it was not going to cost the Ontario taxpayer one red cent—the Premier insulted the country of Cuba by pulling his people back off this trip at the very last moment. I think that was a terrible insult to the hospitality of the people of Cuba and I do not think he should have done that.

1600

Quite frankly, I was hoping they would come to see the disastrous effects of a socialist country. I really wish the NDP members had been there, because the people of Cuba are suffering from the effects of a socialist government that has been in power for 32 years. I know the people of Ontario would never give the socialists a 42-year mandate, as they did the former Progressive Conservative government, because there would not be anything left of the province if it ever went the way of Cuba.

Basically what has happened over the last 32 years, in terms of my judgement, having been there and having met with many of their officials and in talking to many of the people on the street—who are willing to talk with people quite freely, which was a little bit unexpected by me—is that the government has provided better education and a better health care system for the people of Cuba than they had prior to the revolution. But what has also happened over those 32 years is that there has been no wealth creation. Nothing has worked that has been run by the state, where it has been able to create real wealth for the country.

Fidel Castro finds himself in the position now of having cash reserves of about \$100 million. That is what it costs to run our health care system for one day. That is what his total cash reserves are at this moment. It does not leave much in terms of dealing with the situation with the Soviet withdrawal from Cuba.

Over that period of time, the Cuban government let the infrastructure of the country fall down. People cannot get water; they get water for six hours a week. They get gas for one day a week. When you drive through the streets of Havana, you smell charcoal. People are cooking with charcoal because there is no gas or energy to heat their food. Several times during our meetings with officials, the lights went out. Blackouts were quite common.

What this government has to learn is that you cannot continue to provide social programs without paying attention to the creation of wealth within your country. That was driven home so graphically, in a desperate way, in the country of Cuba. Even though I quite frankly believe that Fidel Castro and those who were in the revolution—we met some of them in Cuba—were quite genuine in wanting to improve the lot of the people of Cuba, what they have done now, in effect, is to take the people almost back to their position before the revolution.

They have increased or improved some of the services which the people are now receiving. You have to line up

for an hour to get a loaf of bread, and each individual is entitled to one loaf of bread per month. You have to line up for an hour to get a litre bag of milk, if you are lucky enough to get one. If you have lots of pesos, and you get paid about 200 pesos per month which is the average salary, the pesos do not buy anything. There is nothing in the stores, absolutely nothing, except in the tourist hotels where they take, ironically, American cash.

What has happened in Cuba should be a good lesson for these people. I really do wish the six NDP members who had signed up for the trip had come, because I think they would have come back here as raving capitalists. I think they would have come back here and said to the Premier: "Hey, you've got to stop this socialist spending. You've got to stop spending your money all over the place. You've got to pay attention to creating wealth in your country. You've got to encourage the entrepreneurs. You've got to encourage the skilled people to get active in the marketplace. You've got to give them a chance. You've got to leave them alone in order to be able to undertake the process of building wealth in your country so you can spread that wealth around as a country to the people at the low end of the totem pole."

I have spoken for a short period of time this afternoon on this bill. As I indicated to members, the specific part of it is rather small, but we have heard during the last campaign and during this past year from so many businesses saying, "It keeps inching up on us: the 2% health payroll tax, a little higher income tax, a little more of this, a little more of that." What happens within the political sphere is that governments try to get away with shoving the rate up a little bit each year. Eventually the cumulative effect of all these tax increases pushes people and companies like those owned by Don Kobi in Paris, Ontario, over the brink and out of the country.

It is not just Don Kobi who loses because he can no longer live in this province. It is not only those engineers, scientists, mathematicians, who would not go with him who would lose. It would be the Ontario taxpayer who would lose, because businesses like his, which sell 75% to 80% of their product outside this country, create a tremendous amount of wealth for the rest of us. That wealth gets distributed around this country and around this province in various and different ways.

We vehemently oppose this tax increase, as we opposed the other four or five tax increases which have been introduced by this government. We tell this government to bring its act into place, to start showing the business people, the people who make the wealth, that it is serious about fiscal responsibility, that it is going to give them a chance to earn the wealth to pay the taxes. Then it will gain their trust and their confidence. Until they do that, they are not going to turn this recession around and they are not going to get back the good jobs we have lost, because those good jobs are gone for ever.

We firmly believe this government has not yet turned the corner in terms of fiscal responsibility. These tax increases would be unnecessary if this government were fiscally responsible in its spending.

1610

Mr Huget: I rise today in support of Bill 83, An act to amend the Income Tax Act. I am proud to speak to these amendments, as they provide for changes to the regulations that will see the largest enrichment to the Ontario tax reduction program in its history. I congratulate my colleague the Minister of Revenue, and indeed the government of Ontario, for their commitment to improving the fairness of the tax system.

Through these amendments, this government will implement a program to benefit the people of Ontario at the lower end of the income scale. For the 1991 taxation year, supplements now provided to families for each dependent child age 18 and under and for each dependant with a disability will increase to \$350 from \$200. This enrichment will benefit 115,000 Ontario citizens claiming supplements for dependent children and for dependants of any age who have disabilities.

This tax relief for people with low incomes will bring to 700,000 the number of low-income taxpayers who will have their Ontario income tax reduced or eliminated. In simple terms, it means that a single parent with two dependent children and earning \$22,500 per year will no longer pay Ontario income tax.

Our government is committed to improving the fairness of the tax system. Coupled with these increased supplements to low-income taxpayers, the minister is also proposing to increase Ontario's income surtax. We are implementing a more progressive tax system by ensuring that those taxpayers at the upper end of the income scale pay a more equitable share of the tax burden. The amendments in this bill will see the surtax raised from 10% to 14% of Ontario income tax payable in excess of \$10,000. This surtax only affects taxpayers with incomes of \$84,000 or higher. Implementing this increase to the high-income surtax will add \$60 million to provincial revenues. This rate increase is the first increase to the surtax since 1988. For the 1991 taxation year, approximately 3% of Ontario taxpayers will be affected.

Bill 83 reflects the importance the government of Ontario places in its belief that the people of Ontario need a fairer tax system. These amendments will directly help the people of Ontario who need it most. Low-income taxpayers and families will pay less Ontario taxes with the passing of this bill.

I wholeheartedly support this initiative of our government to support the people of Ontario who most need the support and to implement a tax system that brings a little more fairness to all the taxpayers of Ontario.

Mr Conway: I would like to take this opportunity to join the debate on the second reading of Bill 83, An Act to amend the Income Tax Act, seeing that it is one of the revenue bills that flows from the new government's April budget. I have enjoyed the comments earlier today from everyone, from the minister through to my friend the member for Carleton, who always inspires me in these matters.

I want to talk about the bill, about some of the issues that attend to it and the broader questions of taxation in the

current climate. I say this and I offer my comments on the basis of having spent probably the best summer I have spent in a decade, almost all of it at home with my constituents. I have not had that experience, as I say, in about 10 years, and I have come back refreshed and enlightened in many respects. So I want to put my comments today, in relation to Bill 83, in the context of my own constituents in rural eastern Ontario, where I can assure you, Mr Speaker—I do not need to assure you because I know we represent largely the same kinds of electoral districts. I do not mean to suggest that it is like downtown Ottawa or downtown Toronto. But in rural eastern Ontario, on the basis of my fairly lengthy canvass—in the non-political sense of that word—in the summer of 1991, taxes are certainly on everyone's mind.

I would say to members that in my county of some 36 municipalities we have just had county-wide market value assessment, and there are not words in the English language to convey the passions that policy has evoked.

I might begin by just commenting on that tax policy, because I have been going to tax revolt meetings virtually every week of the last two or three months, and invariably at these meetings I am called upon for some comments. Where market value assessment is concerned, as a theory, I have no difficulty. I can make the case for market value assessment I think as well as anyone, I dare say anyone in this assembly—though I am not bragging; I think there are many people who could do it well.

But the theory of market value, as powerful as it is, and it turns squarely on those time-honoured principles of fairness and equity, takes on a rather different quality when you are in a room with people, many of them senior citizens, who are getting 200% and 300% and 400% tax increases. That tends to focus the mind and qualify the theory in a way that certainly leaves an impression.

I guess that is the fun of politics. As the elected officials, we are the ones who get to go and speak to the impact of theory in action, and it is a very illuminating and exciting possibility. If members would like, I know I see some of the very good officials from the Ministry of Revenue here, and I would be quite happy to invite them or any of my friends in the government to come to the meetings that will undoubtedly go on through the fall. You have to get there early, because they tend to fill up very quickly.

It is amazing the things one encounters, to see these senior citizens, and when I tell them that this good government will provide, what, \$600, \$700 by way of relief—I mean, I have got all the arguments, but gee, it just does not seem to win the day, because the 300% and the 400% increase kind of makes a point.

As I say, I support market value, absolutely. But with those wars on my mind, I turn to the question of Bill 83.

I should also betray another conflict of interest in this sense, because I do not disagree at all with the arguments that were advanced by the minister and, I believe, the member for Sarnia around progressivity, surely suggesting that those—not progressivity, but the argument that I think a traditional socialist and a traditional Liberal and a Progressive Conservative would accept is that any kind of fair tax policy must turn on the principle that you pay according

to your ability to pay. I say that mindful that we have now in the land an element that does not subscribe to that, an element within the traditional confines of conservatism. But my conflict of interest is because I have long accepted and still accept that principle, that if you have got it you should pay.

I have heard the speeches. I have made some of them, though not nearly as often nor as eloquently as my friends opposite. But I want members to take what I have to say in light of the experience I have had in the last year. That is, you are looking at someone, a single person, whose taxable income 15 months ago was roughly some \$80,000 and is today about \$50,000. So now I have had—

Mr Bisson: Don't you feel upset about it?

Mr Conway: Not at all. That is the point, I say to my friend opposite. In a way that I would not have thought possible when I was sitting back in those university classes when we used to debate this, I am not unhappy at all. In fact, I now look and I say to myself what a fool I was. When I think about the life I have led over the last 15 months, I have never had a better time and words cannot convey the personal support I offer to my friends, particularly in the executive council, across the way, because whatever that is, that extra \$30,000 or \$35,000, boy, I will tell them—

Mr Bisson: You work for it.

1620

Mr Conway: Oh, do you work for it, in ways that I will not ever forget and in ways that I might never, ever want to embrace.

The point in this is that when members make the argument, "Let those who have pay," the assumption, of course, is that those who are prepared to do all of those things will continue to do those sorts of things to earn that kind of income, whether it is income as we earn it here or dividend income or whatever else.

I must say that on the basis of my own experience, quite frankly, the most interesting thing for me in the last year is taking a \$35,000 pay cut and hardly noticing. I noticed, there is no question, but it is not a very great difference. I am not complaining about that. I certainly am not complaining about it in this instance. But I reflect on my own personal experience with the progressivity of the tax code, and I say to myself, when I think of the quality of life I now enjoy, why did I ever willingly lead that life for five and a half years?

We know there are all kinds of reasons, but there is a psychology that I think tends to get lost in much of the discussion around taxation, because there is the assumption, and here I think my friend the member for Carleton is right, that people will continue to go out and risk their capital, or whether they are in the labour union or in the business organization or a cabinet minister or whomever, they will be prepared to work that 100-hour week, to put their families in jeopardy, their health in jeopardy and God knows whatever else, just so we can tax at an ever-increasing margin that extra effort or that extra risk.

I think we had better all begin to think upon and reflect upon that concept. I know I am, and maybe I am the ultimate

yuppie. At 40, I have discovered things like quality of life and what that means, really.

Ms S. Murdock: Typical 40.

Mr Conway: Typical 40, perhaps.

Interjection.

Mr Conway: Listen, I intend to be around a long, long time, not here necessarily, but my gene pool suggests it, I say to the Attorney General.

I just want to put that out to start with.

Hon Mr Hampton: Sean, you were here when I was in university.

Mr Conway: That is apparently true, and when I look at the pension scheme that was organized by my predecessors, apparently I am going to have to stay here a long, long time, because I could never justify my entitlement under the current conditions to my beleaguered taxpayers, in the here and now at least.

Hon Mr Hampton: You were not saying that a year ago.

Mr Conway: Oh, yes, I was. That is why I was always so popular at the Board of Internal Economy.

Hon Mr Hampton: That was then, this is now.

Mr Sterling: We all do not get elected at 21.

Mr Conway: That is right. We all do not get elected, as my friend the member for Carleton says, at a very young age.

My point, though, is that on the basis of my summer experience, the issue of taxation is very much on my constituents' minds, and looking at the provincial press I get the impression that it is on people's minds everywhere, and of course the issue of taxation is not unconnected to the question of expenditure.

Here I do not intend to rethrash a lot of old straw, but I do think some observations are in order, and they are the following.

To begin with, all politicians, irrespective of their ideological proclivity or their party's stripe, are more interested in spending money than taxing for it. I know I am, and I have not met anyone here over the 16 years it has been my privilege to be a member who would give lie to that observation.

I was very interested. I thought the previous speaker, the member for Sarnia, was very to the point, but he began his speech by talking about what this tax measure would do in terms of providing a lot of relief, in other words, the kinds of benefits that it would make possible. Then of course the speech wound up by saying that this will draw out another \$60 million from the hides of Ontario taxpayers.

The issue for me increasingly is, how are politicians going to cope with that contradiction which is out there, that contradiction being, "I want more services, and particularly more of the high-cost services, but I want my taxes to be lower?"

An hon member: Therein lies the rub.

Mr Conway: Therein, as the member says, lies the quandary and the contradiction.

I thought it interesting the other day. I was driving someplace within the constituency and CBC news reported

that Statistics Canada has just completed its, what, diennial survey of household income, and as I remember the news clip—and I might be in error; I do not think I am—in the decade of the 1970s, according to that report, Statistics Canada found that Canadian household income had risen by something like 23%. In the decade just ended, Canadian household income had moved virtually not at all. It remained static.

If that is true, and I have got to believe it is true, there is a powder-keg there for all of us in politics, because of course that rising tide of expectations is running into a wall of whatever, taxation, but the sense—and one certainly gets this from the opinion-making middle class—that their kids may not be as well-off as they have been is everywhere in the land, and they are beginning to point fingers. They are beginning to point fingers in a way that is going to cause the political establishment a great deal of challenge.

I thought it absolutely amazing last night to watch that New Brunswick election, and I watched it from start to finish. According to the CBC Fredericton desk, last night in the greater Fredericton area, in the counties of York, Sunbury and the city of Fredericton, something like 44% of the population voted for the Confederation of Regions party. Some 40% of the voters in greater Fredericton voted CoR. I am talking from the experience last year of an electoral district, North Renfrew, where they got 20%, and it was something to behold.

Last night, in the analysis of the entrails, so to speak, the analysis of those results, it is quite clear who was voting for the CoR party, very clear who was voting, and it is a very different kind of person voting for CoR than a lot of people might imagine.

I do not see any evidence to suggest that trend is going to stop. I am not saying for a moment that we ought to cower and take our marbles and go to another forum, not at all. It is going to be interesting, for example, to see those people now getting into the Legislature and putting some kind of consistent program before the voters. According to the analysis last night, part of the appeal of CoR was, “We’re going to cut taxes and we’re going to deliver services more efficiently.” I happen not to believe that was the reason CoR did as well as it did, and in many of those Fredericton ridings it did phenomenally well.

The issue for me in this bill is, how are we going to manage our resources in a way to cope on the one hand with the debt that is out there, and on the other with all the expectations people have of government?

I am not going to say for a moment that when I look back over our five and a half years in office we were the acme of perfection, because clearly we were not. It is true what the Tories say of the Liberals, that we did tax, and we taxed considerably, because it was our view, imperfect as it may seem to them, that if we were going to do some of the things, particularly in areas like health and the environment, we had to pay for them. The debt load we saw was sufficient to make us think that we had better start paying now if we were going to consume now, which is not my view of Keynesianism at all.

But I recognize, and we had around our cabinet table many discussions about: “God, do you really want to go

home and defend something like the tire tax? Do you really want to go home and defend this increase in the income tax? Do you want to go home and defend this increase in the gasoline tax?” I will tell members that it was not decided easily, but almost always we opted, I think rightly, for more investment in these areas. We were prepared to take the hit we took at the time, and with very considerable effect, largely to the credit of the Conservative Party in the general election of last year, over the cumulative effect of our tax-and-consume policies in the mid-1980s.

1630

I would say in deference to an aside made by the minister of business in the new government, my good friend the member for Etobicoke-Rexdale, that we governed during a period of time of very considerable buoyancy in the economy. Much of our program, to be frank, was funded by growth. The new government is faced with a very different set of economic realities. I do not feel at all embarrassed about anything we did, in the main, in relation to the New Democrats because I do not ever remember anything but, “It’s not enough,” and, “It’s too late.” The Tories were in a somewhat different position.

I want to say something about my friends in the Conservative Party, particularly the Taxfighter from North Bay, whose riding is very near to mine. I tend to read the North Bay Nugget a great deal. I pick up the Nugget almost every week and there is the Taxfighter calling for yet more expenditures in North Bay. What he wants to spend on the hospitals in North Bay and area alone would certainly rattle most of the tax levers I can see that are available to any provincial finance minister in Ontario.

Here I want to say to my friends in the Conservative Party what I would say to people in the Reform Party and the Confederation of Regions party. If what they want to do, I say to the real Tories and their cousins in CoR and Reform, is to cut, that is a perfectly fair offering. They should not be embarrassed about that. But I think they have to be honest about that. For example, in Ontario some 65% of all expenditures fall in three categories, as I remember them: health, welfare and education.

If they are going to do something substantial on the expenditure count—by the way, I think we are all of us going to look carefully at the expenditure side. Not because any of us is going to want to; it is not a natural instinct for most politicians to look in that area. Who among us has ever found any kind of lasting constituency out there for tax-cutting?

I love my friends from Colin Brown’s old gang. Most of these people did very well by government. They accumulated their millions and then they went on to form things like, “God, we’ve got to do something about public expenditures.” I always want to look at those old accounts of London Life in the halcyon days of the 1950s and 1960s when Colin Brown was king of the roost. Boy, my memory is that people like Colin Brown did very well by government in those happy days. I was talking to a friend of mine in Fredericton this morning about a few of the people who got elected to the Legislature last night on the CoR program. I gather a couple of those people are very near

and dear to government, know it very well and have had a very positive relationship with government spending.

So I come back to my main point. The Taxfighter is a good fellow. He is a smart man. He was on a school board. He has run an organization. He knows only too well what is involved. In the interest of the contemporary political debate, I think the Taxfighter, as do the rest of us, owes it to a much more sceptical and a much more informed electorate to indicate in some detail what he is going to cut and how he is going to do it and with what impact and effect.

The great benefit of the New Democratic Party coming to office in Ontario, it seems to me, is what I call its aiding and abetting the maturation of the political process in Ontario. By that I simply mean that now all the major parties in Ontario have had an experience in government. I have no little sympathy for what my friends have been through in the last few weeks. I bet they would love to get their hands back to about June 1990 and be able to rewrite the Agenda for People with a view to, "My God, we might some day have to deliver on some or all of this." We all know what happened, and I want to say to them they are not the first group to which this has happened. I suspect we are all going to be served—that is, the community will be served—much more effectively over the longer term by dint of that experience.

But I hope, I say to my friend the member for Carleton, that all of the politicians here or those who aspire to come here are now going to be much more careful and candid as they put together their electoral manifestos, because people are going to expect that (a) they have thought about what it is they are offering and (b) they have—

Interjection.

Mr Conway: I am quite proud to say to my friend the Attorney General that when I look back over the five and a half years of our experience, by and large, I think we had a relatively good record. I will be mischievous and say I do not think we had a situation, from an ideological point of view, that was as exquisitely embarrassing as the retreat from Delawana. The government's Dunkirk will be Delawana and it will be that insurance policy. I understand why the government did what it did and I congratulate it for it, because I think it took guts. I am perfectly up front. I think it would have been absolute madness for the government to have done what it said it was going to do.

But I come back to the point of my friend the Attorney General. I am hardly objective on the subject, but I do not think my copybook is blotted, blotted as it is, by anything quite so spectacular as the retreat from the commitment on public auto insurance.

Now I want to come back to my other point, that in the new politics surely as an elected assembly or as parties we have an obligation to say to the taxpayers that if we are going to spend money, we are going to tax for that money. Now we have another alternative, and the NDP has I think taken about as maximum advantage of that option as it is possible to conceive, and that is of course to put it off and pile it up as debt.

Let me say before I am misunderstood here that the government has three choices. Everyone knows what they

are. You can raise taxes, you can cut programs, you can borrow the money, or of course, as the former Chair of Management Board would say, you can do a careful mix of all three.

Hon Mr Hampton: You left out Ronald Reagan.

Mr Conway: The Attorney General makes a point about Ronald Reagan. Let me say something about Reagan. I am halfway through Haynes Johnson's wonderful book called *Sleepwalking Through History*. If members have not read it, it is a look at the Reagan years. We all laugh at Ronald Reagan, and I am disposed to laugh at him too because he is not my kind of guy. I think if I were in the United States I would be a Democrat.

But before I laugh too loud at Ronald Reagan, one of the things I would be thinking is that Ronald Reagan devastated the FDR coalition, absolutely wrecked it. What happened to all those Democrats in places like Chicago and particularly in the upper middle states? All of those people who were the backbone of the Democratic party are now what are called Reagan Democrats. So I might want to laugh at the Gipper, but in my business it is the electoral calculus that counts and I might just find that after all the laughing I was standing with substantially fewer clothes and that much of my audience had left home and gone over to the Gipper's sideshow. It is interesting to see why they made that switch.

Hon Mr Hampton: Doesn't that seem like the federal Liberals in Quebec?

Mr Conway: Listen, absolutely. I come back to my own experience in the last election campaign; 20% of the people in my riding voted for the Confederation of Regions candidate, many of my friends, most of my neighbours as it turned out. That was a very interesting experience.

The Acting Speaker (Mr Farnan): May I bring the member back to the topic of the day. I would also remind the Attorney General that he will also refrain from interference and allow the debate to continue on topic.

1640

Mr Conway: There are three options: tax, cut, borrow or some combination of two or three. The government put a budgetary plan before the province and the Legislature four and one half months ago that raised some taxes. I do not think it cut any program. It indicated that over a period of four years it was willing to raise the borrowing by roughly \$35 billion.

I do not quarrel with some borrowing, because I do not think there was any government—Frank Miller in 1983, on a budgetary plan of many, many fewer dollars, I think contemplated a deficit of something like \$3 billion. Any Tory who tells you they would not have borrowed any money is forgetting what happened in 1982-83. I do not fault Frank Miller as much now as I might have then, because I understand from my experience in government what happens when revenues start to collapse.

I would simply say to my friend the Minister of Health, my current worry is that I think the budgetary plan, carefully thought out, is coming off the rails. We are going to hear more about that in the next few weeks, and I hear from the exchanges in the daily question period that expenditures

are several hundreds of millions of dollars above where they had been projected, for a lot of good reasons I can anticipate.

But Bill 83 asks us to support taxation, and this bill will pass, because of course the Legislature has a majority of members who have committed their loyalty to the current government.

Interjection.

Mr Conway: How else do I think about the member for Oakwood and the member from Welland? I mean, do not push me on that. I am trying to be fair.

The point I want to make is that we are going to have to, I think, as elected officials—again I speak only as the member from Renfrew—but what message do I bring from my constituents to this? It is simply this: “We have had it, Conway. We have had all the taxes that we can stand and we do not want any more.”

As I say, what are those taxes? Quite frankly, this tax is not going to affect a great number of people in my constituency. There certainly are a number. Most of the people I represent are well, well below those income levels. I have unemployment rates now that I have never seen in the 16 years I have been a member.

In places like Barry's Bay and west Renfrew county, the resource economy has collapsed. There is not any work for hundreds and hundreds of people. That is a function of a lot of things. It is an international condition, it is a function of our dollar, and it is a cyclical industry, the forestry industry.

But understand when some logger, who might be earning a gross income of \$25,000 or \$27,000 or maybe \$18,000, picks up the paper and sees what? Or, more importantly, gets the mail. In the Barry's Bay paper the other day, the headline was “1992 Hydro Rates to Increase by 27%.” I simply say to my friends opposite, a 27% increase in hydro.

I just picked up the mail before coming in here this afternoon, and I see another one of my constituents, a small business person, writing, saying 40% increase in his workers' compensation rate, 40% increase in his WCB rate. His gasoline tax is going to increase by 30%.

Interjections.

Mr Conway: Listen, I do not know what it is. I am just the member from Renfrew. I am telling you what my constituents are saying, and they are saying that they have had enough taxation. I have got some news for them. There is going to be more, and it is going to come from not just a New Democratic government. But do not believe the Liberal or the Tory or the CoR or Reform candidate who says, “Elect us. We are going to reduce taxes.” I am from Missouri and I am very, very sceptical of that.

One of the reasons that cannot and probably will not happen is that if you look at the provincial budget, some 40% of it—probably more if you count that part of the social services budget that relates to health—has to do with health services.

Our population is aging at a significant rate, and we know that most of the health services are consumed in the last years of one's life, so we are heading into a couple of decades where our population is going to age significantly,

and that is going to mean one thing. The pressure on the health and social service budgets is going to grow significantly. Just to hold on to what we have got, paying no regard to the demographic changes that are at work out there, is going to put enormous pressure on whomever sits in that chair as Treasurer or the Chair of Management Board or the executive council.

I say to some of the asides offered just a few moments ago by the very distinguished members of the Treasury bench, the ministers of Health and Housing, that listening to the people—and is that not the cachet? Is that not why we want a constituent assembly? Listen to the people. Well, I am one of their elected officials and I am here to tell the government what the people of Renfrew are saying.

They are saying: “We've had enough. We think your market value assessment is a hell of a lot less than is offered. Spare me the theory. All I've got is the 300% increase in my property taxes; hydro rates going up by 12%, 15%, 27% and I don't have a job; gasoline taxes going up by 30%.” They say, “I read in the Ottawa Citizen, ‘This is to conserve,’ and I agree. I'm a farmer living in Ross township. Now you tell me which OC Transpo bus I'm supposed to take. Tell me which TTC streetcar comes through rural Wilberforce.” They are right. A 30% increase in gasoline taxes. So people in Renfrew county can do what? They have absolutely no choice but their car and their half-ton truck.

That is what the people say and I am not unsympathetic to that. I understand there is another side. I am not going to offer them cuts in many of those taxes because we have got to find the revenue somewhere. But that is what is on their minds. My friend the member for Carleton rightly draws our attention to what are we doing as a community to create the new wealth. Because the old wealth, certainly in my part of the province—what has been the source of economic activity in the main in a place like Renfrew county? It has been forestry and agriculture. From the perspective of 1991, those two sectors are in dire straits, to coin a phrase, and people are losing their jobs. They are losing their farms. Not all of the jobs will be gone for ever, but many will. There is no question.

So what are we doing by way of economic and tax and energy policy to create an environment where somebody who might be earning \$95,000 or \$125,000 might actually think about taking some of that reserve capital and risking it to create a small business in Killaloe or in Combermere or in Chalk River or in Beachburg? Because if we do not create a climate where those people are prepared to do that, then the Bill 83s of the world are going to be entirely redundant.

I must say the assumption of this province over the last 25 or 30 years, largely the post-war period, has been that growth will see us through. I think we have all come to understand that there may very well be some limits to growth that are going to impinge very directly on a prosperity that has been taken for granted, not just by governments and by the élites in this province but by the community at large.

I hope I am not going to be Cassandra-like in imagining tough days ahead but I do believe we have to understand

that we must create a climate—and tax policy is absolutely essential to this. The members know the old line used to be, “Make the rich pay; tax them,” in those great speeches by David Lewis and Stephen Lewis. I guess the good thing about this is that it will catch both Stephen and Michele and it will not catch me. It will certainly catch Stephen in spades, depending on what kind of corporate arrangement he has—Stephen Lewis, that is.

But I remember those days when Stephen Lewis would just bring this assembly to the edge of its collective seat by talking about making the rich pay, and there was Ed Broadbent and David Lewis on the corporate welfare bums. Very powerful stuff until you get to the actual responsibility of office and someone says to you, “The trouble with capital is it’s highly mobile.”

1650

The member for Carleton may have lots of money and he may be the guy we may want to encourage some investment in Carleton county, but he has the option, of course, of just going either across the Ottawa River into another jurisdiction or not too many miles down Highway 16 to another country. It is like this Sunday shopping business Mr Speaker. In Pembroke we sit on the edge of the inter-provincial bridge and what do you think is the first thing that is at the other side of the interprovincial bridge? It is one of these wonderful Quebec stores that provides an array of services, including wine, beer and liquor.

When you give people any kind of alternative and you let the market work, it is an amazing phenomenon. I am always amazed at what I see at that store when I drop by occasionally, just to see that it stays within the bounds of Quebec provincial policy. But if we do not create the new wealth, we are not going to have bills like Bill 83 to worry about. There is some real evidence, as the member for Carleton suggests, that we are having a real struggle in creating that new wealth.

I want to say, as I think about taking my seat, that we have something called a Fair Tax Commission. I want to encourage all the members of the NDP to do what I know they will do, and that is to take an active interest in the Fair Tax Commission. I am going to say something that may be a little bit impolitic and almost rude. I went to fill in one day not too long ago on the standing committee on agencies, boards and commissions, literally just to fill the chair because they were short of people, and in came a certain Neil Brooks, whom I had never met before. I do not even think I have heard of him. I do not know what his academic credentials are, but undoubtedly they are significant.

But I have never in 16 years left a hearing, and I did not say anything. For once in my life I just listened. If ever I heard a Loony Tunes, it was that day. I went home thinking, “Wow.” I remember those Liberals, and of course they are just Liberals and we know that New Democrats are better, tougher, more ideological, more vigorous. But Delawana, of course, I say to the member from Orono, has left me wondering.

I thought to myself, “Do you remember those days in 1981 when poor old Allan MacEachen, himself a former professor of economics, brought in a federal budget to clean up some loopholes and touch the bases of fairness

and equity?” I am not an economist but I am a politician, and I watched what happened. It was something to behold. The best part of that—not the best part of it. It was difficult listening to Liberal members who had to go to the Rotary Club and explain what Allan MacEachen and Stuart Smith and whoever else were about. Oh, they got quite the hearing. It reminded me of those market value meetings that I go to, because I know the logic. The theory is excellent—fairness, equity; no question about it. It is just, as I say, that the sound of it is appreciably different from the feel of it.

I am just here listening to Neil Brooks. I am not like some of these other people over here. Those people have won the responsibility of office and they have a right to do what they want to do, and we have a right to oppose responsibly, but I keep getting letters and I keep hearing it everywhere that, “We want to do this and we want to do that, but we’re going to have to be guided by the Fair Tax Commission.” I am just sitting here thinking, who is the driving force at the Fair Tax Commission, the man who I gather the government wanted to make chairman but could not, for some reason I cannot remember at the present time? Neil Brooks?

I am going to say to those people over there, because they are the front line, as the Minister of Health would say the primary care givers, the first line of offering and the first and last line of defence, that I have a feeling they should probably keep a very careful watch on Neil Brooks and what he has to suggest, because the great difficulty in a modern responsible parliamentary government is that there is so much going on that you cannot keep track of it. It is very complicated, so at some point you are going to get some new taxation theory applied to tax law. That is going to land on the heads of people in Orono and Gooderham and Point Edward in a way the government might not have understood, but it is going to have to explain it because everybody is going to fully expect that it was the architect of this in some reasonable, if not in some intimate, detail.

I simply want to take this opportunity to say to my friends opposite, beware the Fair Tax Commission, not because it is not a good idea, not because there are not good people on the commission—I believe there clearly are—but because I gather that Neil Brooks is a guiding light, and on the basis of just one two-hour experience, I have to say that that, more than anything else, would make me do what I know I will never do, which is think about picking up and moving on.

In summary, I say about Bill 83, that taxation is the end of the day for all of us, and my friends opposite have chosen to make the richer pay. That is not something that in theory a Liberal who knows something about liberalism can oppose, so I will oppose it as part of the budgetary plan with which I do not agree. But the day and the hour of reckoning is fast approaching. One of my government colleagues who is sitting in this room this afternoon is hours away from some very difficult phone calls, apparently.

We are going, not just because of the economic situation, but the changing political times—I repeat, 40% of the people in greater Fredericton voted CoR. Members opposite know who that is, of course. That is a substantial element

of the New Brunswick public service. That is who voted CoR last night. You do not win Fredericton North in a walk and not have a substantial public service vote.

Now this may be just an aberration, but I suspect it is not. I suspect the fundamentals of politics, as those of us who have been around the business for 15 or 20 years, are changing as we speak, and one of the fundamentals of that change focuses upon taxation. I am told by analysts and sociologists that the yuppies are a very different breed than their parents. I should not call them yuppies—the boomers. The boomers have a totally different attitude around these questions of taxation and services, and I know my friend the Minister of Health is in that category.

One of the things, apparently, that the boomers are saying is that they have a much more defined limit as to what they will stand in terms of taxation than their parents had, so I simply make the point that we are not going to be able to continue as we have, though no one should believe anyone in this assembly who tells you he or she is not going to raise taxes. That is a deception of a laughable kind, and I cannot believe anybody would believe it any more. My friends opposite should remember they have a budgetary plan that has a number of assumptions that I would challenge as being too optimistic. With all of that, five months ago, they opposite realized that they were going to have to borrow \$35 billion over the next four years, if all goes well, and early returns suggest it is not going well.

I suspect that when we get into January and February, the retail sales numbers are going to look very different from the projections. That is going to be a function of a number of things: very sluggish confidence in the economy at the present time; cross-border shopping, which is not something we want to talk about today, I suppose, but surely there is no one over there now who privately does not understand that for the pure economic health of the province, and particularly border towns like Sarnia and Windsor and Prescott and Kingston, and even those areas back of the front, like in my area, Renfrew and Brockville and Pembroke, cross-border shopping alone is going to attack those revenue projections in a way that we are probably going to be made painfully aware of in three or four months' time.

If everything goes as well as all of the optimistic assumptions of the budget of April 29 calls for, we are still going to double the provincial debt, a debt accumulated over 125 years, in but four. Government members all realize what that is going to do to the Treasurer 10 years from now.

Now we all hope that growth and a variety of other things make that unnecessary, but we are getting quickly to the point where our real options are being focused in a very narrow, painful way.

1700

I repeat, as I conclude my remarks, the people of Renfrew, who are increasingly out of work and who, quite frankly, want the services—they want the health care, they want social assistance for those in need of that service, they want better highways, they want all of those things—have had it with taxation. They have had it with hydro rates that are two and three times inflation, WCB rates that

are up 40% this year over last, school boards—do not get them going on the subject of school boards, because, of course, a lot of these people are people with jobs.

If you live in Renfrew county, who are the people in these troubled times who are in good shape? Well, there is Conway. He is at the Legislature and he is earning \$55,000 or \$60,000 and he is in out of the cold for four or five years. There are the teachers, the nurses, the doctors and, yes, the public service. There is no great desire to be unfair to any of those people. And I might add the people at Ontario Hydro and Bell Canada; I think in some ways those are probably the two best categories of people for many of the folks in my area.

The unemployed logger in the west end of Renfrew county who has been out of work for months is now out of unemployment insurance, is having a hard time getting any kind of social assistance, has four kids, has a mortgage, is looking at gasoline prices going up 30% and looking at hydro rates on which he is wholly dependent because, of course, there is no natural gas in the neighbourhood either. There is no natural gas for 50 miles. They are looking at the daily press and they see the teachers are not happy, the nurses are not happy, the public servants are not happy, the transit workers are not happy, and they say to me: "But those people have jobs, and I know there are all kinds of grievances that attend to that kind of employment, but they are earning I hear in the paper \$40,000, \$50,000, \$60,000 and \$70,000. I have no job, and you tell me that my property taxes are going up, my hydro is going up, my everything is going up. Government-imposed taxes everywhere are going up 5%, 10%, 15%. Well, I don't have it to give."

I make all of the arguments about, well, we have to have good health care and we have to have—they say: "We don't disagree, but don't you understand? I have no job. Worst than that, I have no prospect of a job. I read in the paper and I heard on the news the other night that government has an energy and an environmental policy that is going to make any kind of job here in the resource and agricultural community virtually impossible."

I go to Deep River, a town of 5,000, and of course they look at the government's plan and say: "Well, there's no more nuclear power." That might be good news everywhere, but in this town of 5,000 people, that is the job. That is the General Motors of the north end of my county, and they are not unmindful that they may in fact face a grim future by dint of provincial government decisions.

But forgetting the individual pieces of that, the summer of 1991 sends me back here with a very clear mandate from the people of Renfrew county that they expect all of us to do a better job of managing the billions of dollars they have provided us with. I guess they also expect—and this is a very difficult issue—that 130 people in three different political parties are going to be able to find a broader public interest in a better way than we have been able to do in the last few years.

I think they expect—my words, not theirs—that maybe we are going to somehow begin to stare down some of the political action committees that have driven much of this budget over the years. Whether any of us has sufficient

backbone and resilience to do that remains to be seen. You are talking to someone who lost some of the significant battles so I am not altogether sanguine about anyone's ability in 1991. It is interesting watching the President of the United States trying to deal with one of the really powerful ones at work in Congress. Boy, it is going to be interesting to see how that gets resolved.

But, you know, on behalf of the unemployed and Ed Broadbent's ordinary Canadians whom I represent, the people who do not have these good jobs, the job that the member for Renfrew North has, you know, the one that pays the good salary and has the good—the person who works as a clerk in the shoe store in Pembroke, the person who works in the lumber industry, the person who is a farmer, boy, they are increasingly feeling left out. They are not prepared to take it much longer. By “taking it,” I mean just more after more after more taxes and a sense sometimes that some of the state monopolies are not even available to deliver the services they absolutely require.

Where this leads us, I do not know. It leads me to conclude my remarks today by saying that it is always a pleasure to engage in one of these debates.

The Acting Speaker: The member for Victoria—my apologies. The member for Carleton.

Mr Sterling: Thank you very much, Mr Speaker, and I forgive you for your mistake. I do not know if this is the first time you have sat in the Chair, but I would like to, on my own behalf and on behalf of my party, congratulate you on your appointment as First Deputy Chair.

I do want to say that I believe that the member for Renfrew North has become a Progressive Conservative. I really think that his speech today was an acknowledgement of the fact that he has learned over the last five years as government and the one year of the New Democratic Party government that there is going to have to be another way, and the people in my party have now consistently said that those people on the lower end have to be protected, that the interest groups represented by powerful people, powerful unions and powerful interest groups, will have to be turned back at some point in order to be able to help the person who does not have a job or who has a job which pays very little money, and we agree with him wholeheartedly on his remarks on that part.

I want to say at the very end of it that the taxfighter from North Bay, the member for Nipissing, the leader of the third party, makes no apology in fighting for his hospitals and his schools in his area in terms of government programs that are available to the rest of the province and will continue to fight for them.

Mr Drainville: I must say that in listening to the comments that have been made by the member for Renfrew North I have to agree with him at least on one point that he made and that is that we live in a time of expectations. The other day when I was speaking to a number of business people who had joined the tax revolt in my riding, I had an opportunity to speak with them about some of the difficulties of finding the kind of balance we had to as a government in terms of expenditures and in terms of programs and in terms of taxation, and it was interesting that at the

end of our discussion one of the people who had been speaking to me about the need to cut taxes and cut them to the bone came up to me and said: “You know, there is a part of Highway 35 that we need repaving on. It needs to be redone because we are having some problems with that part of the road. There are a lot of potholes, a lot of problems.” I turned to him and I said, “Don't you realize that it's rather incongruous that you're here to speak to me about cutting taxes and in the same breath you're saying that we have to have a new road?”

In fact this kind of doublemindedness, if you will, is very much part of the political climate today. I want to affirm some of the things that the member has said because it means that we in this place—and I do not mean just the government, by the way; I mean each one of us as members of this House and as people who are taking leadership in public life—have to deal with this doublemindedness. We have to deal with it not only in terms of the decisions that we make but also in the process of talking to people about what real expectations can be in the 90s. I think we all, not only the people in our ridings but also even in this House, have to understand that the expectations of what we can do in public office today in representing the interests that are there are sometimes too great. So we need to look at those things and we need to address them as carefully as we can.

1710

The Acting Speaker: The member for St Catharines.

Mr Bradley: Thank you, Mr Speaker, for the opportunity to take a couple of minutes to comment on the comments that were offered by the member for Renfrew North. I think he has portrayed for the House the revenue circumstances faced by this government, as they exist in this province, and why this government has to have this kind of revenue. It is most unfortunate that when they were counselled to do so some period of time ago, during the budget debate in particular, obviously they did not scrutinize each of the ministries carefully the way they should have.

Obviously they have to go through that now when they are involved in a constraint process. At that time, had the Chairman of Management Board, along with the Treasurer and those who sit on the Management Board, carefully looked at the expenditures of each of the ministries to determine which programs could be postponed, which programs that perhaps have been on for 10 or 20 years may not be useful in the context of the 1990s and which could be phased in at a different rate—they did not do that as successfully as they might have. As a result there is a scalpel now in the hands of the Chairman of Management Board which must cut wildly the expenditures of various ministries, which are obviously out of control, which have not been looked at as they should have been. The member for Renfrew North has stated the necessity of doing so on an ongoing basis for a government, so it is not faced with these crises.

I was also taken with the fact that he pointed out that this is seen as yet another tax on people. The only people in here who make \$84,000 are on the other side, the government side of the House, but I guess there are many

people in our society who make that who help make this province tick, and yet another tax is what is going to drive them out of Ontario.

Mr Cousens: In some respects it is fun to listen to the member for Renfrew North, because he is without a doubt one of the most eloquent of spokespeople for the Liberal Party in Ontario. I think he brings to light a number of issues we should all be reminded of, but one thing he did not talk too much about was when he was in power and in a position to hold back the spending of the government, to give counsel to the then Treasurer to try to get them as a government not to have as many tax increases as they brought in. What we see now is almost a penitent coming to the House saying: "Here you are raising the taxes. How dreadful this is."

I would like to remind other people who might be taking a moment to watch this House to reflect that the Liberals were very diligent in increasing taxes for the four or five years they were in power. For the first year they were in power they had all the support from the NDP, but then afterwards they were consistent in jacking them up and jacking them up.

Part of the reason this government is dealing with a deficit and some high-spending bad habits is that it began during the regime of the David Peterson government. People do not talk about David Peterson that much around here any more, but I do not want members to forget about him because he and his group of Liberals who ran this government during a time of prosperity did not put any money away for the tough days we are in now. This government came to power with empty coffers. We saw that during the election last summer when the former Treasurer proposed that there was going to be a surplus, and then what did it turn out to be? A huge deficit, so here we have one of those situations. I hope the member for Renfrew North will now come forth in his time for rebuttal.

Mr Conway: Just three points, the last one first: If the member for Markham had been here for the whole speech, I think he would have heard some time ago, when I did talk about some of the experiences I had—I can be even more specific. As I say, I well remember most of these battles I lost, arguing a fairly tough line about teacher pensions, the farm tax rebate, the municipal transfers of a couple of years ago. I not embarrassed to say that I lost most of those arguments. I was badly beaten up by some of the political action committees and some of my colleagues in cabinet. That is the fun of politics.

I do not say that everything we did was correct. I wish I had some of it to do over again, but in the main I think our record is not a bad one. It differed in some respects from some others. My view was that if you were going to consume at the rates people seem to want—and as Minister of Education I faced members from places like Markham, I think, with pressures for capital spending, and actually quite legitimate requests from my friend, but that did not change the fact that we had to go to Management Board and get tens and tens and tens more millions of dollars. I simply want to make that point.

Interjection.

Mr Conway: My friend the member for Carleton says I have become a Tory. I am not, although on certain economic areas I guess I do have a natural small-c conservative instinct that is part of coming from the Ottawa Valley, a sense of self-reliance. We have never enjoyed the kind of high tide of economic prosperity that is taken for granted in places like Ottawa and the industrial heartland of central and southwestern Ontario.

But I am not a Tory. Fundamentally I am a large-L Liberal, because I firmly believe that in this wonderful Upper Canada of ours, between the strident extremes of Conrad Black and Judy Rebick, there can be a moderate, sensible, progressive way.

Mr Cousens: It is difficult to follow an act like that, and to call it an act is really to begin to say when people are watching politicians, is it any wonder our reputation is so low? Is it any wonder they come along and say, "You know, I'd trust a car salesman more than you guys," because of the flip and the flop that goes on from when members are on that side of the House to when they are on this side sitting on the humble front benches.

The people of Ontario are not as stupid as some of us would make them out to be. I have to say that and correct a point. There is nothing about my friend the member for Renfrew North that is stupid. The man is a very wily, wise politician, but at this point he has what you would call a problem with his memory. Inasmuch as I have the floor and I can get back at him now, I am anxious that he consider—

Mr Bradley: The enemy is over there.

Mr Cousens: Oh, no. The people of Ontario have to remember they have two enemies, one of the past and one of the present. The sins of the one of the past are still being lived through today. What the Liberals did has created an awful lot of the problem we now have.

Mr Bradley: More money for Markham schools, more hospitals.

Mr Cousens: My memory on these things is very acute. I was here and I saw it. At the time my community of Markham was indeed one of the highest per capita incomes in the province. What these guys and those people have done is to take us and cut us down. We are having a tough time surviving, especially with the kinds of taxes and the problems we are having.

I want to correct one other thing. Whenever someone comes from a community that is growing as fast as we have been and asks for money for schools, hospitals or services, begs, gets on his knees and does all the grovelling he is supposed to do for them, it has to do with the fact that he is dealing with an ever-growing community. People say, "You're going to go there," but then they do not build the infrastructure, the roads and the services and yet they are getting all the tax dollars from these people moving into these high-growth communities.

When I come along and have to sit here meekly while someone says, "Markham is always on the grab"—he did not say it just like that, but it would appear that Markham is always looking for something—it is because it is growing so quickly, so therefore we need Highway 407 and thank

goodness the member's government approved Highway 407 and this government is continuing it.

We need schools because our children, over 33% of them in the public system and over 50% in the separate system, are in portables. We are dealing with the need for the total infrastructure that goes into the building of a new community. We are talking about a community that has gone from the last census of about 70,000 to over 150,000 people today. We are there looking for the needs of our community, and every member of this House will do the same thing.

The problem we have is that there is only so much money to go around, and we are dealing with that whole problem now where those who have money are going to have it taken away from them again by this tax that is being proposed and will carry. The likelihood that the amendments the member for Carleton will bring forward will carry is not high at all. It is not likely that any member of the New Democratic Party will agree with what I have to say. They will follow their whip. They will vote according to the way the whip tells them to vote. They realize that it is a confidence vote and that if the government loses this important bill, it will have to go to the electorate. And the electorate today might not say the same thing that it did on September 6, 1990.

1720

I want to just make one final comment. The member for Renfrew North brings an awful lot to this House. I have to say it is good to hear him on his feet again, because he has had a lot to say over the years, and I would hope that he will continue this conversion process that he is on now. Even in his final words, he said, "I am a small-l and then a big-L Liberal." He was not sure whether he was a true Liberal or not and he was fighting with himself over just how big or how small the L was. I happen to know he is still a Liberal; he is sitting in the front bench. But he is also responsible for the huge taxes that his Premier, when he was in cabinet, brought forward and for the lack of leadership and financial responsibility that was part and parcel of why the Peterson government fell on September 6. The people of Ontario resented the taxation levels. They resented the failure that was brought to bear by virtue of their economic policy, or lack thereof, and the people of Ontario have spoken. I just do not think they should forget about the damage that was done by David Peterson and his followers during those years.

The funny part of it, though, is that if you start looking at the seven provincial budgets tabled from 1985 to 1991, five of those budgets have imposed tax increases or new taxes on the people of the province, with the only two exceptions during that seven-year period falling on election years—a marvellous coincidence. By the time election years come along, I think, the way this government is going, we will be so poor in Ontario that it will not have any more money to take away from the people.

Like the Liberals before them, the New Democrats believe the Ontario taxpayer is nothing but a milch cow to be squeezed at their convenience. Like the Liberals, the New Democrats find it easier to hike taxes than to make tough decisions on spending controls. The 1991 budget imposes

an additional \$1 billion in new taxes, with the biggest hit on the consumer taking the form of increases in gasoline taxes, and also this tax that we are talking about today in the House.

It sounds like a very small bill, Bill 83, An Act to amend the Income Tax Act, and like many bills in this Legislature, it does not take up an awful lot of space for reading. There is a blank page in the back. It is written in the standard way in which we now deliver our bills. It was presented on April 29, 1991. When it was tabled for first reading in the House, our caucus stood up and forced a vote on it. We disagreed with it. We felt it was a bad move for this government to be taking and we continue to feel that way now. The explanatory note and the act itself are short and brief, but what it will amount to is a \$60-million increase to the coffers of the province of Ontario this year and \$90 million thereafter on an ongoing basis: \$90 million a year coming in from those people who are generally now making around \$84,000 a year.

What this bill proposes to do is to take just a percentage of that amount in excess of \$10,000 that they are paying in provincial income tax. For some people it does not amount to an awful lot of money; for others, it will amount to a great deal of money. For a person who is married with two children, total income of \$100,000, with an RRSP contribution of \$5,000—that is a total income of \$100,000—this tax for this year will amount to \$149.10. So people say, "It's not much." But it is the accumulation of all these taxes that continue to hurt the people who are driving the economy, who are making things go, that is continuing to undermine their confidence in themselves and in their ability to get ahead. On the one hand, you have inflation that is taking away their funds, and on the other hand, you have a government that continues to take it away.

What we have to face up to is that the people of Ontario now want to stop having the increase in taxes. They want to see a government that is in control of its budget and its spending. They want to see a government that is going to have a plan for the future that does not dig a bigger hole for ourselves and for the individual taxpayer. They are anxious that a government will stand up and truly be accountable.

What I feel right now is that we have a government that fails to understand the kind of damage it is doing to individuals across this province. First of all, it is a government that does not understand that the economy has to have a boost of confidence from a government that knows how to instil that confidence in business people. It does not do that, so business people are moving out of this province. They are in a position where they are saying: "Well, why stick around? I am worried about the future of Ontario."

So here we are in one of the toughest times in the economy of our province, certainly tougher than what I remember in 1981-82 and certainly tougher than many, many people have experienced. Young people are now coming on to the market in a position to buy a home, establish themselves, and then, because of the recession we are in, they have been forced to sell their home. On the main street of one of my communities, a young couple had

bought a nice home. It was worth over \$650,000. When the wife lost her job—

Interjection.

Mr Cousens: I am sorry, but that is the cost of property in some of our communities; \$400,000 was the average price of a home in my community just a few years ago. So this young couple, with a home valued in excess of \$650,000 and the mortgage and the carrying costs that go into that, was then forced—the husband then lost his job, and so they could not maintain their mortgages. Finally they had to forfeit on their house. The house went up for a forced sale. It went up for sale for around \$400,000. Someone scooped it up. They are now out of a house. They are still unemployed. You are talking about a couple facing tremendous hardship in our age.

With this recession that we are into right now, we are dealing with many, many people who had jobs a year ago. Their jobs gave them a sense of comfort for the future. They felt a certain amount of security in their businesses. They were making a good dollar, they were able to pay their taxes and they were able to have a style of life consistent with the kind of income they were making. The number of people today who have had to cut back significantly because either the husband or his spouse has lost their job; the number of people today who are no longer confident that there is a future for them, especially since the income they are bringing in is now insufficient to deal with the costs of education for their children, the clothes, the gas, the car, their overhead, their insurance—all those things have forced them into a box they cannot control.

There are the number of people who are selling their homes in our communities, certainly in York region and, I think, to the south of us in Metropolitan Toronto, who are not able to maintain the level of expenditures that they did in better times. They are moving out, moving down, moving into another way of life, trying to find a house or a home a little bit farther out from Metropolitan Toronto, and then they will commute and come back in. Tough, tough times.

When a recession like this comes to haunt a province as much as it has ours, you are really looking at a situation where you would look for leadership from a government that says: "We're going to try to instil more confidence. We're trying to get the economy going. We're going to try to pull ourselves out of this recession so that those people who are unemployed, those people who are having tough times, will have an opportunity for the future." I hear nothing from this government that talks about job creation. I hear nothing from this government that is giving the kind of leadership that is going to cause people to say, "Look, there is a reason to stay in Ontario."

The very day that the Treasurer brought down the budget—April 29, I think it was—the Governor of North Carolina was visiting the Royal York Hotel here in Toronto. He sent an invitation to a number of the high-technology firms from northeast Metropolitan Toronto to come and meet with him so that he could talk about the opportunities in North Carolina. A number of my constituent companies went down to that meeting, and a number of them have

decided to pull up roots from Ontario to go to the United States of America, because they see much better value for their dollar, a much better investment by their company, a much better future for them by being located in the United States of America than in York region or in Ontario.

1730

Mr Stockwell: An exodus.

Mr Cousens: So there is an exodus going on. I thank the member for Etobicoke West. There is an exodus, and it is a serious problem, because we are losing companies that structurally have something to offer our whole province and the economy. It is tax dollars lost, it is jobs lost, it is people's loss of confidence, and this recession is being fueled in part by the kind of leadership being given by this government.

I have to believe that free trade has contributed in some significant way to the loss of jobs in our marketplace, and yet there has not been the kind of investment in jobs and business by this government that I would have expected. We knew there would be some adjustment to be made with free trade, but neither this government nor the federal government has taken the initiatives to help make sure business has the confidence for the future. In fact, the lack of confidence is a major issue.

The beautiful story of Mary Poppins has to do with this. There is one little part in there about confidence in the banks. When confidence in the bank disappears, the bank is in major trouble. The same thing applies with a government in a province. If people lose their sense of confidence in the economic viability of the place where they are living, then something begins to crumble. Therefore, we are seeing it with people who have money to invest in Canada. They look at Ontario, and when they see a social democratic government in power here, with the kind of policies that are being initiated by it, they decide, "We'll go elsewhere." In fact, many have said over the last several months that Quebec is a more favourable place to invest than Ontario. I find that a tremendous reversal of what it was several years ago. People could not wait to get out of Quebec to come into Ontario after 1981 or 1982, and now we are seeing a swing back into Quebec.

Why is it that we are not creating the climate and the environment for business that gives them an optimism? One of the things this bill is doing is taxing them, and it is just putting an extra load on them so that there is less disposable income for them to come along and invest in other things.

I do not think there is any doubt that the people of Ontario are frustrated by the economic policies of the federal government as well. When they look at the federal government and the Ontario government, they cannot separate one government from the other, because both governments are building huge deficits for themselves. Those deficits are where you end up paying the interest off in the future and not really getting rid of the principal debt. That is what we are doing.

Because we have such large debt growing here and the federal government has such large debt, we then end up having to do several things to the Canadian dollar. The

Canadian dollar ends up going far higher than it should be to allow us to be competitive with other markets. We have now an 88-cent dollar on the American dollar, and what it is doing is eroding that opportunity for trade between Canada, or Ontario, and the United States of America.

We also see people worried about the high interest rates, which were so high for so long. They are coming down to a level now that people will be able to carry their debt a little bit better, and maybe that is one of the things that is going to help the province. By virtue of the fact that interest rates are coming down, that will help the province to carry the large \$9.7-billion debt promised in the budget of April 29. We all know that debt is going to be much more than that now. Grant Devine—I do not know how he can divine it for Ontario—says that the debt for Ontario could well exceed \$14 billion this year.

However high it is going to go, we are talking then about a monetary policy for this country that says we are going to be paying off debt, that we are not going to be able to pay for new programs, that today we are living beyond our means, so therefore we are going to be in a position that we will become suppressed, repressed and put down.

This is not the kind of budgetary document in Bill 83 that leads to an optimistic future for our province. It instead leads to a further reason for people to say: "Why work so hard? Why put in the extra hours on my job if I am going to end up having to pay out all that much more money to pay taxes?"

This tax revolt is becoming an increasing concern to all of us. Indeed, one of the members just a moment ago was saying how there is a tax revolt coming in his own riding. I think we are all seeing it. People are saying, "We're going to blame it on the municipal councils," and you get municipal councils where you have had a certain spend-free attitude for a while, and the public is saying: "We don't want to have increases in our local taxes. We're not prepared to continue to pay that." What will happen is that an increased number of people start to withhold their tax payments. How will our municipalities continue to run?

It is a dangerous symptom of a malaise in our society, of people who are so unhappy with the way in which government is taking a larger and larger share of their wealth and using it for other purposes. I have to believe that this is leading to a cycle of despair and defeat and depression and is part of the very sick feeling that is within the minds and hearts of people in Canada today. They have lost that sense of confidence in all politicians to really give the kind of leadership, the economic leadership, the fiscal leadership, that is going to help make this a strong country for the future.

I know it is compounded by the whole constitutional debate, and, with the federal government coming down with a paper today there will be a chance for us all to begin to think how we can hold ourselves together as a country, with a new definition of who we are and how we will work together, with increased responsibilities for the province and somewhat diminished responsibilities in certain areas for the federal government. These are part of the changing times we are in.

But within that, if the province is going to have increased responsibility and we are going to become more the economic giant of what goes on in this country, then I think we must begin now to face up to the problems we are going to create for ourselves with the kind of deficits we are creating today, with the kind of attitudes we are creating in the public at large, who are saying: "I pay all these taxes, and what do I get for it? Your bureaucracy gets larger. The government gets bigger I pay out more and more I have less and less. The harder I work, what am I getting for it?"

When is tax freedom day? It is now in the middle of July. So half the year is spent by a great number of people just paying their taxes before money is left over for the rest of the year to go on disposable income for the things they need: their house, their rent, their clothing, their heat, their food, their whatever, their entertainment.

The number of people in our country today who are facing tough, tough times is not decreasing; it is increasing. The number of people who will be paying this tax is decreasing over what it was a number of years ago, because what we are seeing now is less people who are holding down the high jobs that were paying over \$84,000 a year. Many of those people who were making that kind of salary are now out of work, out of luck.

There is not any kind of program for them. Workers who are unemployed at that level, we would say, "Hey, they're white-collar; they've got enough saved up." They are in trouble financially. They would like to be paying their taxes. They resent the amount of taxes they have had to pay, and maybe that is just part of the problem this government has got to face up to.

Let's begin now to see what the government response should be rather than increase the taxes. There are many other ways in which this government can respond to the challenge of the 1990s than just by saying, levy more taxes. We are talking about a billion dollars in additional taxes this year that will be levied because of these tax bills.

But what else do we see the government doing? We have not seen any leadership by this government in cutting back on its spending. Mind you, now the new R-word has come out, and when they were up drinking Georgian Bay water at the Delawana, we heard for the first time from the lips of Pink Floyd the possibility of restraint. I look forward to seeing what he is going to do in restraint.

The fact of the matter is, it was not part and parcel of the budget of April 29. This government did not at that time give any signal to the people or business or the world that there was going to be restraint within this government. Not a chance. This government was in the business of increasing its spending on a social program, it was expanding the civil service, it was expanding its departments.

Look at the number of people in this government, especially in the House, who are members of the government side of the House, who have parliamentary assistantships, the size of staff they have got. Look at the way in which they have built kingdoms around themselves, all of which takes money. This is a government that has been excellent at spending money on itself.

1740

The Premier has just added a new public relations person to his staff. Is that coming out of the New Democratic Party coffers or is that coming out of the coffers of Ontario? A public relations expert for Mr Public Relations himself. What we are seeing is someone who is going to help print out more press releases, more propaganda, more of the kind of stuff that people are getting sick of from government. What they want to see is something that is going to show it has a proactive stance for the future, that this is a government that has a plan that is going to take us somewhere. If this group in the Legislature today can point out a number of the cutbacks that have been taken by the government and the kind of money that has been saved by it, I would be most pleased to hear about it.

Interjection.

Mr Cousens: When the honourable Minister of Health, in her wise counsel, has a number of points to make, I would be glad at some point to yield the floor so that she can outline all the ways in which her government has saved money. There are not many, if any, mentioned in the government's budget. I will give her a chance to come and comment on that. Where is the incentive for business? How can we as a province have such a strong social agenda? The pendulum has swung one way. We have a social conscience and a social need, but where is there on the other side something that is going to help business to fuel itself, to get going again? Do not undermine the confidence of the business people.

Look at the Board of Trade of Metropolitan Toronto, look at the Markham Board of Trade, look at the chambers of commerce across the province. They are all genuinely worried about the direction this government is taking and they are seeing a government that is going to be intrusive, a government that is moving in on them, a government that is going to set regulations and make changes that are going to make it more and more difficult to have a business thrive in this province than in any other jurisdiction.

It is going to discourage outsiders from coming into our province to invest, because they do not see in this province the climate for business to prosper and do well. What will happen in fact is that we will become uncompetitive with the neighbouring jurisdictions and so it will become easier for people to go to Buffalo, to the United States, or to Quebec or some other place, or maybe even hold off doing something until three or four years from now when the Premier and his government are no longer in power in Ontario. The fact of the matter is, this government is making Ontario uncompetitive. Ontario ceases to be a place where people want to do business. We are seeing places like General Tire in Barrie closing down and 900 jobs disappearing in Barrie alone. How many other jobs supporting those 900 within the community? Probably 1,800 jobs as well? What have we got? Close to 4,000 jobs disappearing in Ontario.

When do we see a reaction from this government? Not until after it happens. I remember a number of years ago when in the town of Midland RCA was closing down its TV factory. What happened? They were making the pictures

then. The member from Simcoe East was there at the time. Months before that happened, the member was involved with that community, trying to find other purposes for that plant, trying to find other buyers, and they found them. It was not by accident the plant changed ownership. It did not close down and disappear. What are we seeing in this province? At General Tire 900 jobs disappear. Why?

Interjection.

Mr Cousens: Are you saying they should close down? I think it is terrible. I think it is wrong. The honourable member is saying they should close down. I do not think you have any respect for people if you are starting to say that.

Interjection.

Mr Cousens: If you are going to interrupt, stand up and speak at the appropriate time rather than just interrupt. Mr Speaker, you should be putting him into his place, because if he is going to say these things—

Interjections.

The Acting Speaker (Mr Villeneuve): Order, please. Would you kindly address your remarks through the Chair. It might create a lot less antagonism.

Mr Cousens: I do not want to create any antagonism, but if the member is going to make stupid comments, he should stand up and say them so people can hear them. If in fact they cannot stand the heat of the kitchen, then maybe it is time there was an election now so the people of Ontario understand that the New Democrats really do not want to stay around any more, because we do not want them there any more. I think the kind of taxation they are bringing in right now is deleterious to the long-term future of Ontario, and the short-term future. There is no way I will support them.

If members opposite think it is a good thing, it is probably because they do not know anyone who is making \$84,000 a year. The fact of the matter is there are many people who are making that kind of money and they are hurting today, and they are hurting with a lack of confidence because they just do not know where it is going to go. Their jobs could be gone tomorrow and what those members are doing is making it more and more difficult for them to survive.

This government is not holding the line on anything. They are not holding the line. They are just saying, "Hey, we're just going to continue with our agenda." Their agenda is very much something that is on the plate. We are going to be dealing with it. I have a confidential document, a paper setting out the proposals for strategic directions for the government's first term. It is a document marked "Confidential." It was prepared for the New Democratic government. Somehow or other, I happen to have a copy of it. It outlines a number of the things this government is doing.

First of all, this government says it has a number of strategic objectives. It includes: "The new international economic reality requires that Ontario's economic strategy change or Ontario will emerge from this recession with a lagging economy and seriously reduced quality of life. There must be a real economic strategy and this must be achieved through a new understanding and co-operation

among business, labour, community organizations and government."

They are high-sounding, good words, but when you start having the New Democratic government coming along and having a fundraising campaign that says, "We're doing it and government is under pressure from business and business is really hurting government," instead of a good relationship developing between the government and business, it is putting a bigger and bigger wedge between business and government.

We are talking about a government that says out of one side of its mouth that it wants to have an improved quality of life and out of the other it is coming along and saying: "We're going to tax you more. We're not going to set an example of restraint, but by virtue of our taxation, you yourself will be forced into more and more restraint." Here is the government's strategic objective.

Another one is that Canada is experiencing a serious crisis of unity in constitutional arrangements. They go on to say, "The low credibility of the federal government has an impact on all governments, including questions of integrity." I wonder why this government talks about the federal government's lack of credibility so much when in fact this is a government that should be dealing with its problems. Instead of doing that, they are very quick at passing the buck.

Yesterday, when the Minister of Agriculture and Food was asked a very important question about the very serious agricultural problems this province is encountering, what does the Minister of Agriculture and Food stand up and say? He blames the federal government for it.

When we had the Minister of Energy being taken to task for the Power Corporation Act, what did he do? He goes and blames a government back 10 or 12 years ago, going back to 1978. Come on. The government should accept the responsibility for where it is.

Their paper goes on to say, "Federal-provincial and intraprovincial relations, including financial relationships, will demand substantial attention from the provincial government." It sure does. What we have to do, and it can happen with the new constitutional hearings where we will go through through the federal government recommendations that have been tabled today, is get rid of the intraprovincial tariffs that exist. There are more barriers to trade among our provinces than there are between Ontario and the United States south of the border.

Let's find ways so that we can work together as a country, yet I venture to say there is more opportunity, as we deal with these issues, for the government to throw stones about other people's actions or lack of actions than accepting responsibility for what it is supposed to be doing.

One of the other things in the economic strategy that this paper points to is, "Specific tax and wage measures to reduce income disparities and promote equity that together might comprise the elements of a social contract." I really do not know what this government can do to reduce income disparities if in fact one of the methods is to tax the rich. That is indeed what this bill is doing today. Bill 83 taxes people who are making in excess of \$84,000, and

what that does, what the government is starting with that kind of bill, is reduce the income disparity that is really part and parcel of what a person's income is all about.

1750

The document goes on with a lot of words, and what I am concerned with is that the actions of this government do not begin to touch upon the way in which a solution can really have a long-term impact. What I would like to do is look at some of the things other jurisdictions are doing instead of having a tax on more of the personal income that individuals have.

When you look at what Newfoundland did in its 1991 budget, for instance, that budget contained restraint measures which cut the 1991-92 deficit from a projected \$200 million to \$53.8 million. Among the things that the government in Newfoundland has brought about is implemented government-wide reductions in salary and operating budgets. Did the members opposite hear that one? Government-wide reductions in salary and operating budgets.

Did that happen here? No, we had some salaries increase by as much as 20% in the province of Ontario in this fiscal year. We have got the chairman of the board of Ontario Hydro looking for a \$400,000 remuneration. That is \$400,000, from what was he making before as a deputy minister? Maybe \$100,000, \$120,000, so a fourfold increase. What kind of an increase does that amount to?

In Newfoundland, they eliminated 1,300 permanent and 350 part-time and 350 seasonal positions through the broad public sector. How many positions—

Interjection.

Mr Cousens: What did the honourable member say? That they are all on welfare? Is he saying that they should go on welfare? I am trying to get what the honourable member is saying.

What I am seeing the government do is eliminate a number of permanent positions and part-time positions from the budget of the province of Newfoundland. What I am really suggesting, back in 1981 to 1985, a period in which I was present in this House on the back benches on the Tory side, there was a certain amount of cutback. I think 7,000 civil servants were eliminated through attrition during that period of time.

There is a way in which it can be done, and it is a responsible way. It all hurts, but there is a sense in which you say: "Hey, we are not going to add new programs. We are not going to add new people. We are going to try to do more with less." I see companies doing that now, where they are having a terribly tough time and they have over the last couple of years reduced the number of people, yet they have continued to have the same objectives for large sales and productivity.

In Newfoundland, they eliminated 500 vacant positions in government departments. What do I mean by that? Five hundred vacant positions; in other words, they were jobs that were empty. Instead of filling them, they did not fill them. They were allowed to stay empty. They reduced the executive and management positions in the public service by 10%.

How much has the cost for each ministry increased in the last year since the New Democratic government came into power? When we went to estimates and looking at the Ministry of the Environment, we saw a significant increase in the number of dollars for overheads for the ministry because of the extra people who had been added by the new minister, more than my honourable friend the member for St Catharines had.

Look at the other one, the number of assistant deputy ministers in every ministry. Every ministry now has far more ADMs than it ever had two or three years ago. That seems to be a new way of having a larger and larger bureaucracy, and it is eating away at the costs of doing government business. It is as if there is an unlimited amount of money to spend on government.

The fact of the matter is Newfoundland, which many people laugh at—I do not laugh when I start seeing the kind of responsible leadership they have taken in Newfoundland. They understand that they have got to move to live within a balanced budget. Now during a time of recession it is tougher to do that, but at least they are taking concrete action that leads to reduced government spending. Not this bunch. This bunch continues to spend more and more and more. It is just out of sight.

In Newfoundland they imposed a one-year wage freeze on the public service and deferred for a one-year period negotiated salary increases for all bargaining groups. The Newfoundland government adopted this restraint program in part because of the concern that an increase in the deficit would result in the province's credit rating being downgraded and in the province having to absorb higher borrowing and debt financing charges as a result.

Mr Stockwell: Listen to this. Exactly what happened to you.

Mr Cousens: So what has happened to us? Where is our credit rating? Where has it gone with the kind of abysmal leadership that is being given by Pink Floyd and the Bob Rae government? Our deficit is increasing. The credit ratings have been chopped down for this province. If it continues in the bad way in which it is now, I venture to say our credit rating will be slashed even further because of the lack of prudent economic planning that this government is failing to give.

In Nova Scotia, we saw a budget that was also hard to deal with for the New Democrats, but they imposed a two-year wage freeze for all civil servants, provincial and municipal politicians, judges, employees of crown corporations, among others. They eliminated 300 positions from the civil service. In Nova Scotia, they delayed implementation of the province's pay equity program for a two-year period.

What happened? We continue to add civil servants and we are continuing to plow ahead with pay equity as if there is not any kind of recession on right now. We continue to say: "Hey, we're bargaining on. We're marching on." But the fact of the matter is there is only so much money that can be spent in order to maintain these initiatives, and the public at large is saying: "Stop. Hold back. We're into a crisis right now. This recession is hurting all of us, so why don't

we in this province give the kind of leadership that we could and should?"

In Saskatchewan, the PC government's 1991 budget cuts spending in 14 government departments. They eliminated 600 civil service jobs and they committed the government to balancing the budget by 1994.

Mr Huget: What is their debt?

Mr Cousens: I do not have their debt exactly. I am sorry. It is nothing close to the percentage of debt that we have got, and in fact, since I will be coming back tomorrow, I will have a chance to—the honourable member asked me for their debt. Saskatchewan's debt for 1990-91 was \$361 million. They will have it down to \$265 million in 1991-92 and they are looking to get it—it does not take it to the floor for the future, but in 1990-91 the debt in Saskatchewan is \$363 million. You are talking about a significant amount of money to them. It is all relative to the size of the province and your ability to pay the bill.

What I would like to point to is the fact that the member for Nipissing has a number of recommendations in order to approach this issue. Instead of increasing taxes, he went and brought in a number of recommendations. I will not read them all, but they would be in lieu of Bill 83, which is going to hurt the people of Ontario.

Number one, he said that the government of Ontario should neither increase taxes nor introduce any new taxes in the 1991-92 budget—no new taxes, no increase in taxes—the member for Nipissing, the tax fighter and a person who will continue to fight taxes and has the integrity to fight them.

The second thing he would do is his government would freeze its 1991-92 direct operating expenditures at the previous year's level; freeze things at that level, just sort of put a hold on it so that everything has to be done within the limits of what is really set aside. Do not continue to spend money you do not have. Do not continue to spend money you have to borrow. Hold on to it and try to live within your means. How can people continue to live beyond their means the way this government does? What a terrible example.

The next point that he made was that the Legislative Assembly freeze its operating budget at the 1990-91 levels for the fiscal year 1991-92. There is a sense that he is saying by freezing it, you also freeze the expectations that people have from government so that they will not continue to say: "I want more. I want more." There is a sense in which they know there is going to be someone up here, down here, wherever Queen's Park is relative to where you are at sea level, that there is going to be someone who says, "I am going to be saying no for a while because we have got to put this House in order so that we can ready for the future in a proper way."

It is not the way, to increase taxes on those who are making money and adding to the economy of the province. By taking that money away from them, it means there is less disposable income for them to go and spend it back into our communities.

The honourable Speaker indicates that it must be getting close to the hour. I would move adjournment of the debate.

The House adjourned at 1800.

**LEGISLATIVE ASSEMBLY OF ONTARIO
ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO**

Lieutenant Governor/Lieutenant-gouverneur: Hon/L'hon Lincoln M. Alexander, PC, QC/CP, CR

Speaker/Président: Hon/L'hon David Warner

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Clerk Assistant and Clerk of Committees/Greffier adjoint et Greffier des comités: Smirle Forsyth

Clerk Assistant and Clerk of Journals/Greffier adjoint et Greffier des journaux: Alex D. McFedries

Sergeant at Arms/Sergent d'armes: Thomas Stelling

-
- Abel, Donald (Wentworth North/-Nord PC) government whip/Whip du gouvernement
- Akande, Hon/L'hon Zanana** (St Andrew-St Patrick ND)
Minister of Community and Social Services/
Ministre des Services sociaux et communautaires
- Allen, Hon/L'hon Richard** (Hamilton West/-Ouest ND)
Minister of Colleges and Universities, Minister of Skills
Development/Ministre des Collèges et Universités,
ministre de la Formation professionnelle
- Arnott, Ted (Wellington PC)
- Beer, Charles (York North/-Nord L)
- Bisson, Gilles (Cochrane South/-Sud ND) PA to Minister of
Northern Development and Mines, PA to minister
responsible for francophone affairs, Vice-Chair, select
committee on Ontario in Confederation/
Ap du ministre du Développement du Nord et des Mines,
ap du ministre délégué aux Affaires francophones,
vice-président du Comité spécial sur le rôle de l'Ontario
au sein de la Confédération
- Boyd, Hon/L'hon Marion** (London Centre/-Centre ND)
Minister of Education, minister responsible for women's
issues/Ministre de l'Éducation, ministre déléguée à la
Condition féminine
- Bradley, James J. (St Catharines L) opposition House leader/
Chef parlementaire de l'opposition
- Brown, Michael A. (Algoma-Manitoulin L) Vice-Chair, standing
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committee on public accounts/Président du Comité
permanent des comptes publics
- Caplan, Elinor (Oriole L) Chair, standing committee on social
development/Présidente du Comité permanent des affaires
sociales
- Carr, Gary (Oakville South/-Sud PC)
- Carter, Jenny (Peterborough ND) PA to Minister of
Citizenship, responsible for human rights, disability
issues, seniors' issues and race relations/Ap de la ministre
des Affaires civiques, déléguée aux Droits de la personne,
aux Affaires des personnes handicapées, aux Affaires des
personnes âgées et aux Relations interraciales
- Charlton, Hon/L'hon Brian** (Hamilton Mountain ND)
Minister of Financial Institutions/Ministre des Institutions
financières
- Chiarelli, Robert (Ottawa West/-Ouest L)
- Christopherson, David (Hamilton Centre/-Centre ND)
PA to Treasurer of Ontario and Minister of Economics/
Ap du Trésorier de l'Ontario et du ministre de l'Économie
- Churley, Hon/L'hon Marilyn** (Riverdale ND) Minister of
Consumer and Commercial Relations/Ministre de la
Consommation et du Commerce
- Cleary, John C. (Cornwall L)
- Conway, Sean G. (Renfrew North/-Nord L)
- Cooke, Hon/L'hon David** (Windsor-Riverside ND) Minister
of Municipal Affairs, government House leader/
Ministre des Affaires municipales, chef parlementaire du
gouvernement
- Cooper, Mike (Kitchener-Wilmot ND) deputy government whip/
Whip adjoint du gouvernement
- Coppen, Hon/L'hon Shirley** (Niagara South/-Sud ND)
Minister without Portfolio, chief government whip/
Ministre sans portefeuille, whip en chef du gouvernement
- Cordiano, Joseph (Lawrence L) Vice-Chair, standing committee
on social development/Vice-Président du Comité permanent
des affaires sociales
- Cousens, W. Donald (Markham PC)
- Cunningham, Dianne (London North/-Nord PC) Progressive
Conservative chief whip/Whip en chef du Parti
progressiste-conservateur
- Curling, Alvin (Scarborough North/-Nord L) opposition deputy
whip/whip adjoint de l'opposition
- Dadamo, George (Windsor-Sandwich ND) PA to Minister of
Transportation/Ap du ministre des Transports
- Daigeler, Hans (Nepean L)
- Drainville, Dennis (Victoria-Haliburton ND) PA to Minister of
Municipal Affairs; Acting Chair, select committee on
Ontario in Confederation/Ap du ministre des Affaires
municipales, président suppléant du Comité spécial sur le
rôle de l'Ontario au sein de la Confédération
- Duignan, Noel (Halton North/-Nord ND) Chair, standing
committee on the Legislative Assembly; Co-Chair, special
committee on the parliamentary precinct/Président du
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du Comité extraordinaire de l'enceinte parlementaire
- Elston, Murray J. (Bruce L) Leader of the Official Opposition/
Chef de l'opposition officielle
- Eves, Ernie (Parry Sound PC) Progressive Conservative House
leader/Chef parlementaire du Parti progressiste-conservateur
- Farnan, Mike (Cambridge ND) First Deputy Chair of the
Committee of the Whole House/Premier vice-président du
Comité plénier de l'Assemblée législative
- Fawcett, Joan M. (Northumberland L)
- Ferguson, Hon/L'hon Will** (Kitchener ND) Minister of
Energy/Ministre de l'Énergie
- Fletcher, Derek (Guelph ND) PA to Minister of Consumer and
Commercial Relations/Ap du ministre de la Consommation
et du Commerce
- Frankford, Robert (Scarborough East/-Est ND)

Gigantes, Hon/L'hon Evelyn (Ottawa Centre/-Centre ND)
Minister of Housing/Ministre du Logement

Grandmaître, Bernard C. (Ottawa East/-Est L)

Grier, Hon/L'hon Ruth A. (Etobicoke-Lakeshore ND)
Minister of the Environment, minister responsible for the greater Toronto area/Ministre de l'Environnement, ministre responsable du Bureau de la région du grand Toronto

Haeck, Christel (St. Catharines-Brock ND)

Hampton, Hon/L'hon Howard (Rainy River ND) Attorney General/Procureur général

Hansen, Ron (Lincoln ND) Chair, standing committee on finance and economic affairs; Chair, standing committee on regulations and private bills/Président du Comité permanent des affaires économiques et financières, président du Comité permanent des règlements et des projets de loi d'intérêt privé

Harnick, Charles (Willowdale PC)

Harrington, Margaret H. (Niagara Falls ND) PA to Minister of Housing/Ap du ministre du Logement

Harris, Michael (Nipissing PC) leader of the Progressive Conservative Party/Chef du Parti progressiste-conservateur

Haslam, Hon/L'hon Karen (Perth ND) Minister of Culture and Communications/Ministre de la Culture et des Communications

Hayes, Pat (Essex-Kent ND) PA to Minister of Agriculture and Food (agriculture)/Ap du ministre de l'Agriculture et de l'Alimentation (agriculture)

Henderson, D. James (Etobicoke-Humber L)

Hope, Randy R. (Chatham-Kent ND) PA to Minister of Community and Social Services/Ap du ministre des Services sociaux et communautaires

Hugot, Bob (Sarnia ND) PA to Minister of Energy/Ap du ministre de l'Énergie

Jackson, Cameron (Burlington South/-Sud PC) Chair, standing committee on estimates/Président du Comité permanent des budgets des dépenses

Jamison, Norm (Norfolk ND) PA to Minister of Industry, Trade and Technology, responsible for small business/Ap du ministre de l'Industrie, du Commerce et de la Technologie, délégué aux Affaires des petites entreprises

Johnson, Paul R. (Prince Edward-Lennox-South Hastings/Prince-Edward-Lennox-Hastings-Sud ND)
PA to Minister of Revenue/Ap du ministre du Revenu

Jordan, W. Leo (Lanark-Renfrew PC)

Klopp, Paul (Huron ND) PA to Minister of Agriculture and Food (food)/Ap du ministre de l'Agriculture et de l'Alimentation (alimentation)

Kormos, Peter (Welland-Thorold ND) Chair, standing committee on resources development/Président du Comité permanent du développement des ressources

Kwinter, Monte (Wilson Heights L)

Lankin, Hon/L'hon Frances (Beaches-Woodbine ND)
Minister of Health, minister responsible for the provincial anti-drug strategy/Ministre de la Santé, ministre déléguée à la Stratégie antidrogue provinciale

Laughren, Hon/L'hon Floyd (Nickel Belt ND) Deputy Premier, Treasurer of Ontario and Minister of Economics/Vice-premier ministre, Trésorier de l'Ontario et ministre de l'Économie

Lessard, Wayne (Windsor-Walkerville ND) PA to Minister of Colleges and Universities/Ap du ministre des Collèges et Universités

Mackenzie, Hon/L'hon Bob (Hamilton East/-Est ND)
Minister of Labour/Ministre du Travail

MacKinnon, Ellen (Lambton ND) Vice-Chair, standing committee on the Legislative Assembly/Vice-Présidente du Comité permanent de l'Assemblée législative

Mahoney, Steven W. (Mississauga West/-Ouest L) chief opposition whip/Whip en chef de l'opposition

Malkowski, Gary (York East/-Est ND) PA to Minister of Citizenship, responsible for human rights, disability issues, seniors' issues and race relations/Ap de la ministre des Affaires civiques, déléguée aux Droits de la personne, aux Affaires des personnes handicapées, aux Affaires des personnes âgées et aux Relations interraciales

Mammoliti, George (Yorkview ND) PA to minister responsible for the provincial anti-drug strategy/Ap de la ministre déléguée à la Stratégie antidrogue provinciale

Mancini, Remo (Essex South/-Sud L) Chair, standing committee on general government/Président du Comité permanent des affaires gouvernementales

Marchese, Rosario (Fort York ND) PA to the Premier, PA to Minister of Intergovernmental Affairs/Ap du premier ministre, ap du ministre des Affaires intergouvernementales

Marland, Margaret (Mississauga South/-Sud PC) Vice-Chair, standing committee on estimates/Vice-Présidente du Comité permanent des budgets des dépenses

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Martin, Tony (Sault Ste. Marie/Sault-Sainte-Marie ND) PA to Minister of Education/Ap de la ministre de l'Éducation

Mathyssen, Irene (Middlesex ND) PA to Minister of the Environment, government whip/Ap de la ministre de l'Environnement, whip du gouvernement

McClelland, Carman (Brampton North/-Nord L)

McGuinty, Dalton J.P. (Ottawa South/-Sud L)

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McLeod, Lyn (Fort William L)

Miclash, Frank (Kenora L) opposition chief whip/Whip en chef de l'opposition

Mills, Gord (Durham East/-Est ND) PA to Solicitor General/Ap du Solliciteur général

Morin, Gilles E. (Carleton East/-Est L) Deputy Speaker and Chair of the Committee of the Whole House/Vice-Président et Président du Comité plénier de l'Assemblée législative

Morrow, Mark (Wentworth East/-Est ND) Chair, standing committee on the Ombudsman; Vice-Chair, standing committee on administration of justice/Président du Comité permanent de l'ombudsman, vice-président du Comité permanent de l'administration de la justice

Murdoch, Bill (Grey PC)

Murdock, Sharon (Sudbury ND) PA to Minister of Labour/Ap du ministre du Travail

North, Hon/L'hon Peter (Elgin ND) Minister of Tourism and Recreation/Ministre du Tourisme et des Loisirs

O'Connor, Lawrence (Durham-York ND) PA to minister responsible for the greater Toronto area; Vice-Chair, standing committee on regulations and private bills/Ap de la ministre responsable du Bureau de la région du grand Toronto, vice-président du Comité permanent des règlements et des projets de loi d'intérêt privé

- Offer, Steven (Mississauga North/-Nord L)
O'Neil, Hugh P. (Quinte L)
O'Neill, Yvonne (Ottawa-Rideau L) opposition deputy whip/
Whip adjointe de l'opposition
Owens, Stephen (Scarborough Centre/-Centre ND) PA to
Minister of Financial Institutions, government whip/
Ap du ministre des Institutions financières, whip du
gouvernement
- Perruzza, Anthony (Downsview ND) PA to Minister for Skills
Development/Ap du ministre de la Formation professionnelle
Philip, Hon/L'hon Ed (Etobicoke-Rexdale ND) Minister of
Industry, Trade and Technology/Ministre de l'Industrie,
du Commerce et de la Technologie
Phillips, Gerry (Scarborough-Agincourt L)
Pilkey, Hon/L'hon Allan (Oshawa ND) Solicitor General,
Minister of Correctional Services/Solliciteur général,
ministre des Services correctionnels
Poirier, Jean (Prescott and Russell/Prescott et Russell L)
Poole, Dianne (Eglinton L) Vice-Chair, standing committee on
public accounts/Vice-Présidente du comité permanent des
comptes publics
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francophone affairs/Ministre du Transport, ministre
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- Rae, Hon/L'hon Bob** (York South/-Sud ND) Premier,
Minister of Intergovernmental Affairs/Premier ministre,
ministre des Affaires intergouvernementales
Ramsay, David (Timiskaming L)
Rizzo, Tony (Oakwood IND)
Runciman, Robert W. (Leeds-Grenville PC) Chair, standing
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permanent des organismes gouvernementaux
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Sterling, Norman W. (Carleton PC)
Stockwell, Chris (Etobicoke West/-Ouest PC)
Sullivan, Barbara (Halton Centre/-Centre L)
Sutherland, Kimble (Oxford ND) PA to Chairman of the
Management Board of Cabinet; Vice-Chair, standing
committee on finance and economic affairs/Ap du
président du Conseil de gestion du gouvernement,
vice-président du Comité permanent des finances et des
affaires économiques
Swarbrick, Anne (Scarborough West /-Ouest ND)
- Tilson, David (Dufferin-Peel PC)
Turnbull, David (York Mills PC)
- Villeneuve, Noble (S-D-G & East Grenville/S.-D.-G. &
Grenville-Est PC) Second Deputy Chair of the Committee
of the Whole House/Deuxième vice-président du Comité
plénier de l'Assemblée législative
- Ward, Brad (Brantford ND) PA to Minister of Industry, Trade
and Technology with responsibility for trade and technology/
Ap du ministre de l'Industrie, du Commerce et de la
Technologie et délégué au Commerce et à la Technologie
Ward, Margery (Don Mills ND) PA to Minister of Government
Services/Ap du ministre des Services gouvernementaux
Wark-Martyn, Hon/L'hon Shelley (Port Arthur ND) Minister
of Revenue/Ministre du Revenu
Warner, Hon/L'hon David (Scarborough-Ellesmere ND)
Speaker; Co-Chair, special committee on the
parliamentary precinct/Président, coprésident du Comité
extraordinaire de l'enceinte parlementaire
Waters, Daniel (Muskoka-Georgian Bay/Muskoka-Baie-
Georgienne ND) PA to Minister of Tourism and Recreation;
Vice-Chair, standing committee on resources development/
Ap du ministre du Tourisme et des Loisirs, vice-président
du Comité permanent du développement des ressources
Wessinger, Paul (Simcoe Centre/-Centre ND) PA to Minister
of Health/Ap de la ministre de la Santé
White, Drummond (Durham Centre/-Centre ND) Chair,
standing committee on administration of justice;
Vice-Chair, standing committee on the Ombudsman/
Président du Comité permanent de l'administration de la
justice, vice-président du Comité permanent de l'ombudsman
Wildman, Hon/L'hon Bud (Algoma ND) Minister of Natural
Resources, minister responsible for native affairs/Ministre
des Ressources naturelles, ministre délégué aux Affaires
autochtones
Wilson, Hon/L'hon Fred (Frontenac-Addington ND) Minister
of Government Services/Ministre des Services
gouvernementaux
Wilson, Gary (Kingston and The Islands/Kingston et Les Îles ND)
PA to Minister of Culture and Communications/
Ap de la ministre de la Culture et des Communications
Wilson, Jim (Simcoe West/-Ouest PC)
Winner, David (London South/-Sud ND) PA to Attorney
General, PA to minister responsible for native affairs/Ap
du Procureur général, ap du ministre délégué aux Affaires
autochtones
Wiseman, Jim (Durham West/Durham-Ouest ND) PA to
Minister of Correctional Services/Ap du ministre des
Services correctionnels
Witmer, Elizabeth (Waterloo North/-Nord PC)
Wood, Len (Cochrane North/-Nord ND) PA to Minister of
Natural Resources/Ap du ministre des Ressources naturelles
- Ziemba, Hon/L'hon Elaine** (High Park-Swansea ND)
Minister of Citizenship, minister responsible for human
rights, disability issues, seniors' issues and race
relations/Ministre des Affaires civiques, déléguée aux
Droits de la personne, aux Affaires des personnes
handicapées, aux Affaires des personnes âgées et aux
Relations interraciales

**COMMITTEES OF THE LEGISLATIVE ASSEMBLY
COMITÉS DE L'ASSEMBLÉE LÉGISLATIVE**

STANDING COMMITTEES/COMITÉS PERMANENTS

Administration of justice/Administration de la justice

Chair/Président: Drummond White

Vice-Chair/Vice-Président: Mark Morrow

Members/Membres: Gary Carr, Robert Chiarelli, Derek Fletcher, Evelyn Gigantes, Charles Harnick, Irene Mathysen, Gordon Mills, Jean Poirier, Gregory S. Sorbara, David Winninger

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Estimates/Budgets des dépenses

Chair/Président: Cameron Jackson

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Members/Membres: Gary Carr, Hans Daigeler, Will Ferguson, Karen Haslam, Paul R. Johnson, Wayne Lessard, Dalton McGuinty, Lyn McLeod, Anthony Perruzza, Gary Wilson

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Affaires économiques et financières

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Clerk/Greffier: Todd Decker

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Vice-Chair/Vice-Présidente: Ellen MacKinnon

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Clerk/Greffier: Douglas Arnott

Ombudsman/Ombudsman

Chair/Président: Mark Morrow

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Clerk/Greffière: Tannis Manikel

Regulations and private bills/

Règlements et projets de loi d'intérêt privé

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Clerk/Greffière: Lynn Mellor

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Ontario in Confederation/

Rôle de l'Ontario au sein de la Confédération

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Clerk/Greffier: Harold Brown

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Parliamentary precinct/Enceinte parlementaire

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Co-Chair/Coprésident: Noel Duignan

Members/Membres: Dianne Cunningham, Remo Mancini, Kimble Sutherland

Clerk/Greffier: Smirle Forsyth

CONTENTS

Tuesday 24 September 1991

Members' statements

Meals on Wheels Week	2461
Mr Miclash	
North York Women's Centre	2461
Mr Harnick	
Events in Durham-York	2461
Mr O'Connor	
Wildlife protection	2461
Mr Brown	
Scott Rossiter	2462
Mr Runciman	
Literacy	2462
Mr Dadamo	
Land use planning	2462
Mr Bradley	
Liquor stores	2462
Mr J. Wilson	
Oktoberfest	2462
Mr Cooper	

Statements by the ministry

Ontario Human Rights Commission	2463
Ms Ziemba	
Health care	2464
Ms Lankin	

Responses

Ontario Human Rights Commission	2465
Mr Curling	
Health care	2465
Mrs Sullivan	
Ontario Human Rights Commission	2466
Mr Cousens	
Health care	2466
Mr J. Wilson	

Oral questions

Budget	2466
Mr Elston	
Mr Laughren	
Landfill sites	2468
Mr Cousens	
Mrs Grier	
Rent regulation	2469
Mrs Marland	
Ms Gigantes	
Ontario economy	2469
Mr Kwinter	
Mr Philip	
Automobile insurance	2470
Mr Tilson	
Mr Charlton	

Landfill site	2471
Mr Duignan	
Mrs Grier	
Timber management	2471
Mr Ramsay	
Mrs Grier	
Marketing boards	2472
Mr Villeneuve	
Mr Buchanan	
Assistance to farmers	2472
Mr Mancini	
Mr Buchanan	
Health legislation	2473
Mr J. Wilson	
Ms Lankin	
Sexual assault	2474
Ms Poole	
Mr Hampton	
Court system	2474
Mr Harnick	
Mr Hampton	

Motions

Private members' public business	2475
Mr Cooke	
Agreed to	2475
Committee substitutions	2475
Mr Cooke	
Agreed to	2475

Petitions

French-language services	2475
Mr H. O'Neil	
Oath of allegiance	2475
Mr Carr	

Second readings

Income Tax Amendment Act, 1991, Bill 83	2476
Ms Wark-Martyn	2476
Mrs Y. O'Neill	2476
Mr Sterling	2477
Mr Huget	2481
Mr Conway	2484
Mr Drainville	2488
Mr Bradley	2488
Mr Cousens	2489
Adjourned	2495

Lists of members

Members and their responsibilities
Committees of the Legislative Assembly

TABLE DES MATIÈRES

Le mardi 24 septembre 1991

Question orale

Collèges de langue française en Ontario	2472
M. Bisson	
M. Allen	

Listes des députés

Les députés et leurs responsabilités
Comités de l'Assemblée législative

Deuxième lecture

Loi de 1991 modifiant la Loi de l'impôt sur le revenu, projet de loi 83,	2476
M ^{me} Wark-Martyn	
Débat ajourné	2495



58 1991

58 1991

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Legislative Assembly of Ontario

First Session, 35th Parliament

Official Report of Debates (Hansard)

Wednesday 25 September 1991

Assemblée législative de l'Ontario

Première session, 35^e législature

Journal des débats (Hansard)

Le mercredi 25 septembre 1991

Speaker
Honourable David Warner

Clerk
Claude L. DesRosiers

Président
L'honorable David Warner

Greffier
Claude L. DesRosiers



Table of Contents

Table of Contents for proceedings reported in this issue appears at the back, together with an alphabetical list of members of the Legislative Assembly of Ontario.

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Effective with the opening of the Second Session of the 35th Parliament, Hansard issues and pages will once again be numbered on a sessional basis. Hansard numbering therefore will become consistent with Orders and Notices and Votes and Proceedings, and with other parliamentary publications throughout Canada.

For the last two years Hansard has been numbered according to the calendar year. Under this system, the numbering of issues and pages was restarted with the first issue in the calendar year, regardless of session or Parliament.

Under the new system, the sequence of numbering started in January 1991 will end with the final House and committee sittings of the present First Session. A new sequence will begin on the opening day of the Second Session, and each succeeding session, which will be issue 1 and begin with page 1. Committee reports likewise will be numbered from the first sitting of each committee in a parliamentary session.

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Table des matières

La table des matières des séances rapportées dans ce numéro se trouve à l'arrière de ce fascicule, ainsi qu'une liste alphabétique de députés de l'Assemblée législative de l'Ontario.

Il existe un index cumulatif des numéros précédents. Les renseignements qu'il contient sont à votre disposition par téléphone auprès des employés de l'index du Journal des débats au (416) 325-7400.

Numérotation du Journal des débats

A partir du début de la deuxième session de la 35^e législature, les pages et les numéros du Journal des débats seront de nouveau numérotés par session. La numérotation du Journal des débats correspondra donc à celle de Feuilleton et Avis et de Procès-verbaux, ainsi que celle des autres publications parlementaires au Canada.

Depuis deux ans, le Journal des débats était numéroté par année civile. Avec ce système, la numérotation des numéros et des pages recommençait au premier numéro de l'année civile, quelle que soit la session ou la législature.

Avec le nouveau système, la numérotation commencée en janvier 1991 s'arrêtera à la dernière séance de la Chambre et des comités de l'actuelle première session. Une nouvelle série commencera le jour de l'ouverture de la deuxième session et des sessions suivantes : numéro 1, page 1. Les rapports des comités seront également numérotés à partir de la première séance de chaque comité pour une session parlementaire donnée.

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LEGISLATIVE ASSEMBLY OF ONTARIO

Wednesday 25 September 1991

The House met at 1330.

Prayers.

MEMBERS' STATEMENTS

HUGH McDONALD

Mr Daigeler: It is with great sadness that I am paying tribute today to Hugh McDonald, a valued member of my community who passed away last Sunday after a short illness.

A lawyer by profession, Hugh had a long and distinguished record of public service in Nepean. From 1968 to 1976 he was a commissioner of Nepean Hydro and its chairman. In 1978 he was elected alderman and served in this function until 1985. From 1985 to 1989 he was a member and, for some time, chairman of the Nepean Police Commission.

Hugh served in the Royal Canadian Navy from 1946 to 1956. After graduating from Osgoode Hall Law School in 1960, he became the first lawyer to open a private practice in what was then the township of Nepean. He was a long-standing member of the Nepean Kiwanis, Delta Chi and the Upper Canada Law Society.

Hugh McDonald had a very keen interest in local, provincial, and federal politics. His advice was always valued and his help much appreciated. Nepean and Ottawa-Carleton have lost a great citizen. I am sure the House will want to join me in extending sincere condolences to his family.

LAND REGISTRATION

Mr Jordan: The people of Almonte, Carleton Place, Ramsay, Pakenham and Arnprior are growing more impatient every day as this government fails to provide answers on the proposed closure of the Almonte land registry office.

The Minister of Consumer and Commercial Relations had assured me that Almonte was to be reviewed, and she would see, personally, that unanswered letters would receive replies. Letters in May received no replies until late summer. I am saddened to say the replies were flawed and unacceptable because they were based on a flawed analysis.

The government fails to realize that Almonte's \$1-million registry office, which just opened in June 1990, services not only northern Lanark but parts of west Carleton and Kanata. The area is one of the fastest-growing in eastern Ontario.

Essential information was considered when a three-year study was done prior to building this \$1-million building, which opened, as I say, one year ago.

The people of Lanark-Renfrew will hold the minister and this government responsible for the outcome of this review.

POLICE SERVICES

Mr Sutherland: I rise in the House today to give recognition to the outstanding work of police officers across the province.

Law enforcement is multi-faceted work. Part of it is spent educating the public: making them aware of certain dangers; advising them of better ways. Enforcement, of course, is the other aspect. Police officers respond to a variety of offences, from the Highway Traffic Act to more serious crimes against persons and property.

Policing has been described as hours of tedium and pain-taking work, interspersed with moments of extreme tension and stress. Ontario is fortunate to have some of its finest citizens serving us in provincial and municipal police forces.

Many of us are guilty of not taking the time to appreciate the work our police forces do. Maybe it is a sign of how well they do their jobs that we do not even notice. We take for granted that our society is a safe haven for ourselves and our loved ones, particularly in our small communities, but police officers know that it is their work and dedication that keeps our system running smoothly in an ever-changing world, and sometimes they are the first to pay the ultimate price for our freedom.

It is with great sadness today that I offer my condolences to the family, friends and colleagues of Constable Scott Rossiter, who was killed in the line of duty last week in Ingersoll. He had moved to Ingersoll because he wanted to serve a smaller community where he could be closer to the public.

Constable Rossiter is the second Ontario police officer to die this year; OPP Sergeant Tom Cooper was killed last July near Kenora. In total, 10 Canadian police officers have died in the line of duty in the past five years. All of us should take time to reflect and remember and honour the men and women who serve us in our police forces.

WATERFOWL HUNTING

CHASSE À LA SAUVAGINE

Mr Poirier: Today is the first day of the annual waterfowl hunt in southern Ontario. This is an event which is little different than it was last year or the year before last. However, the same activity is very different in the United States. This is the first year in which a ban on the use of lead shot for waterfowl hunting has been enforced nationally.

When ingested by wildlife such as geese, ducks and swans, lead shot is a toxic substance which results in plumbism, better known as lead poisoning.

The United States hunt will use alternatives such as steel or tungsten shot, which do not cause lead poisoning when ingested by birds.

It was estimated in the late 1980s that over 3,600 tonnes of lead pellets were fired annually over and into the wetlands of North America. In the United States alone this resulted in the death of between 1.6 to 2.4 million birds out of an annual migration of 100 million birds.

The eating of only a few pellets when foraging in a pond can kill waterfowl. Since proven alternatives exist, a province-wide lead shot ban for the hunting of waterfowl is overdue in order to stop this senseless slaughter.

Le gouvernement néo-démocrate se doit de bannir l'utilisation du plomb lors de la chasse à la sauvagine. C'est le moindre à faire pour protéger les oiseaux et l'environnement.

1340

NURSING HOMES

Mrs Witmer: This government continually speaks about its commitment to the principles of equity and fairness, yet in its policies towards the funding of nursing homes and municipal homes for the aged it is practising discrimination and inequity.

The per diem subsidy for municipal homes is 32% higher than the subsidy for privately owned nursing homes, despite the fact that the residents of both of these long-term care facilities have the same needs and are provided with the same level of care.

I recently had the opportunity to visit one of the nursing homes in my community, the Chateau Gardens nursing home in Elmira, and I was impressed by its dedication to providing a high standard of care for its residents. The hard reality, however, is that their dedication is greater than their resources and that they will be forced to make staff cuts if this government does not take action by October 15.

This crisis at Chateau Gardens is not an isolated incident. Sixteen homes have gone into receivership, and more will follow if the government does not change its funding policy.

I believe the private sector has an important role to play in assisting the government in providing long-term care and I believe that all residents of this province are entitled to receive the same high level of care.

I would urge the Minister of Health to meet with the representatives of Chateau Gardens to discuss their financial problems and to take action to eliminate the funding gap, which has widened over the past six years.

UNITED WAY CAMPAIGN

Mr Hope: I hear so many discouraging words these days about corporations and their employees not being able to work together. Well, I have an example to counter that theory right in my own riding of Chatham-Kent.

Earlier this week, labour and corporation dollars filled the United Way kitty in my riding to kick off this year's fund-raising drive. The two accounted for almost \$224,000 raised in the first day of the campaign. That is almost 25% of the United Way's \$1-million goal for Chatham-Kent in a single night.

My former employer, Rockwell International, may have been tough at the bargaining table; however, Rockwell pledged \$10,000. Meanwhile, its employees, whom I represented, came through with \$7,000.

But there were many other employers and employees who had made the mercury in the United Way thermometer boil. Union Gas, our biggest corporate citizen, helped the cause with \$38,000, while its workers kicked in an additional \$29,000.

Workers at Navistar were good for a whopping \$40,000, while the corporation kicked in \$15,000.

This is just one prime example of how corporations and workers co-operate to meet the better needs of their

community. I think with the future of this government and the future of workers and corporations, we can achieve successful goals and a prosperous Ontario.

ONTARIO HYDRO RATES

Mr McGuinty: Bill 118, which proposes amendments to the Power Corporation Act, poses a serious threat to the ability of Ontario Hydro to fulfil its primary responsibility to the people of this province. That responsibility is to provide us with power at cost.

If Bill 118 becomes law, our hydro bills will be increasing in order to pay for the cost of any directive issued to Ontario Hydro by the government. What is particularly frightening is that Bill 118 will no longer require that these directives be related to Hydro's exercise of its powers and duties under the Power Corporation Act.

This change in our Hydro law will open the floodgates for the NDP government to fund any of its social or regional economic development programs through Ontario Hydro. This government's intention to use Ontario Hydro in this way is made clear by the track record it has established in the cases of Elliot Lake and Kapuskasing.

Hydro's chairman has predicted double-digit increases in hydro rates each year for the next four or five years. These predictions were based on the premise that Ontario Hydro would continue to supply power at cost. We can only speculate as to how much higher our Hydro bills will be in order for us to cover the costs of the social programs Ontario Hydro will be forced to fund.

Our caucus opposes Bill 118. When this legislation goes to committee for public hearings, this government will quickly learn that the people of this province will not tolerate any action by this government that will threaten our supply of affordable electricity.

ALTERNATIVE FUELS

Mrs Marland: There are pressing environmental reasons to develop alternative fuels for vehicles: 40% of the smog in our cities results from motor vehicle emissions which are also implicated in global warming and the deterioration of the ozone layer.

Since last Friday I have been driving a natural gas vehicle which is being lent to me by Consumers' Gas. Compared with gasoline and diesel fuel, natural gas significantly reduces harmful emissions. Natural gas is also a plentiful Canadian resource. Natural gas is available at 40 service stations in Ontario. As well, a refuelling appliance can be installed for convenient fill-up at homes which are heated by natural gas. Dual-fuel systems are available so that drivers can flick a switch to change to gasoline in areas where natural gas is not readily available.

There are economic benefits from converting a vehicle to natural gas, which can lower fuel bills by up to 50%. The Ontario government offers a sales tax rebate of up to \$1,000 on newly purchased vehicles which have natural gas systems installed. There is also a federal government taxable grant of \$500 to offset conversion costs. It is estimated that installation costs are paid within a few months in fuel savings.

I would encourage all Ontario drivers to give serious consideration to switching to alternative fuels. It is a little

thing each of us can do for the environment while reducing our driving costs. I add that in my opinion all governments at all levels should have their fleet vehicles using alternative fuels.

CANADIAN FOOTBALL LEAGUE

Mr Morrow: I rise today to remind the members of this House and the residents of Ontario about the struggle faced by the Canadian Football League, especially the teams in Ottawa and Hamilton. The teams west of the Ontario border receive either direct grants or tax breaks from their provincial governments, but the three Ontario teams receive nothing.

At the present time the Ottawa Rough Riders are under the ownership of the league and the Hamilton Tiger-Cats have been running in the red ever since a new owner took ownership in 1989. The originality of three downs, a 110-yard field, wide-open and high-scoring football must receive some support. The NFL, better known as the No Fun League with its boring, low-scoring, overexposed hype, must be put in its place.

The taxpayers of Ontario built a palace for the Toronto Argonauts and support the facility through advertisements in the dome by many ministries, but the support of the other two Ontario teams is nil. The Ontario Lottery Corp should advertise in both Hamilton and Ottawa, plus I suggest that it be investigated if a non-profit organization such as the Canadian Football League can be allowed to obtain some sort of lottery licence to assist in the survival of these two teams.

It is now time that the members from Ottawa and Hamilton get together to make sure the two franchises are operating on a level playing field with the rest of the teams in the CFL.

STATEMENTS BY THE MINISTRY

ALCOHOL AND DRUG TREATMENT

Hon Ms Lankin: I rise today to announce details of our plans to expand addiction services in Ontario, a measure first announced by the Treasurer in his April budget.

Last year Ontario paid \$51.3 million for 3,700 residents to receive addiction treatment in the US. It is unacceptable that taxpayers here should be providing annual subsidies amounting to almost \$6 for every man, woman and child in Ontario to profit-driven residential treatment facilities outside of our borders. The cost of treatment at a residential centre in the US averages \$12,000 a month. Equivalent hospital treatment in Ontario costs about \$5,600 and community-based residential care costs about \$2,600. Outpatient treatment in Ontario averages about \$400 per month.

We can give Ontarians in their home province more of the high-quality treatment they need for much less than we have been paying to out-of-country facilities.

Today I am announcing new funding of \$9.4 million a year to expand addiction services in Ontario. We are adding this to the \$56 million that the ministry already has in its community mental health budget. We expect this effort will allow almost 24,000 people to receive a full course of addiction treatment in Ontario each year. Thousands more will be aided in expanded facilities such as detoxification centres.

The new aid for these people comes at a cost of about \$1 per citizen of Ontario, not the \$6 we sent outside our borders last year. This funding will stay in our province.

1350

The expansion I am announcing has four parts:

First is \$4.1 million a year for residential and non-residential treatment programs. It is in these programs that addictions are broken and lives are reclaimed.

A mixture of programs is important. Outpatient treatment is often preferable for an adult, providing help with much less disruption to work and family life than would happen during an extended stay in a residential setting.

On the other hand, young people are often best served in a residential centre away from an environment that may be feeding an addiction.

For these reasons, funds will be allocated to a mixture of programs based on recommendations from district health councils which know best the particular needs of their communities. The Ministry of Health has issued a call for proposals. The councils will be asked to respond before the end of 1991.

The second component is \$300,000 a year for the Addiction Research Foundation to run a registry of addiction services. This new registry will allow Ontario's network of 34 local assessment and referral agencies to refer people readily, on a family doctor's instruction, to available addiction programs throughout the province. Those agencies can begin using the registry on October 2.

The third part is a \$3-million increase to the annual funding of assessment and referral centres. The centres already provide services to 18,000 people a year. With this funding they can increase staff and boost that number by 25%.

The fourth component is an increase of \$2 million annually to detoxification centres.

These services are on the front lines of addiction help and this funding will increase their combined capacity by more than 50%. We are working with an executive committee of directors of these centres to determine which services need expansion and where new services are required. The amount budgeted for the expansion to addiction services for the remainder of this fiscal year is \$6.4 million. Specific allocations are yet to be determined because they are dependent on recommendations coming from our district health councils.

Meanwhile, as I announced in August, provincial health insurance on October 1 will begin to cover the full cost of out-of-country addiction treatment when appropriate care in Ontario is unavailable and where prior approval has been obtained. Those who must go outside the province will be directed to treatment centres with which my ministry has negotiated a payment schedule. Those negotiations are proceeding as I speak. Those who choose to go elsewhere will be entitled to funding at the OHIP rate of \$200 a day.

The increases I have just announced will cut substantially the numbers of people who need to go outside our borders for help with their addictions. We will have a clear indication of the exact numbers once the many expansions are in full operation in communities across the province.

I am not claiming a cure-all. More work needs to be done. For example, the member for Yorkview and parliamentary assistant to the minister responsible for the provincial

anti-drug policy recently completed a tour of the province in which he examined the way Ontario deals with addictions. I understand his report will soon be released.

I also wish to underline that payments for drug addiction services represented only one quarter of the total out-of-country hospital services we were billed last year. We will be making other announcements in the future about other measures to use health funding more efficiently in Ontario to reduce out-of-country payments.

Today's announcement is a good step forward. It is an example of the kind of cost-effective management the nation's health ministers committed themselves to in Winnipeg last week. Our government is determined to use health dollars wisely and to provide the best services possible to Ontarians in their home province.

RESPONSES

ALCOHOL AND DRUG TREATMENT

Mrs Sullivan: On occasion this place can be shown to be a kinder and gentler place. Perhaps my response to the statement of the Minister of Health is one of those occasions. We welcome the minister's announcement of the expansion of addiction services programs and the increase in funding, \$6.4 million in this fiscal year and \$9.4 million on a full-year basis, and think it is an announcement to be applauded.

More than a year ago the last government announced its proposals to reduce the use of out-of-country treatment facilities and replace those with services in Ontario. The minister's statement today takes a slightly different form in the specifics than our approach did, but we concur with the view of the minister that as many Ontarians as possible should have access to treatment in Ontario without the stress and disruption and additional cost to the system that out-of-country treatment provides.

We hope the savings that are accrued in the funding mechanism changes from out of the country to in-country will be redirected to providing services here. We like the emphasis on the community-based services and believe the addition of the registry the minister has announced will assist providers in ensuring appropriate access to the mix of treatment that is available.

Last November the advisory committee on drug treatment chaired by Garth Martin presented a comprehensive report called Treating Alcohol and Drug Problems in Ontario: A Vision for the 90s. This report is a comprehensive one, as I have said. More recommendations that are included in this report are not addressed by the minister today. We hope she will address those soon. I have to remind the minister that close to a year has gone by since this report became available. The minister has said that more work needs to be done. We concur with that view and we are looking forward to further announcements.

Mr Ruprecht: Mr Speaker, on a point of personal privilege: In the parliamentary—

The Speaker: If the member for Parkdale would take his seat, can we stop the clock for a minute. You are utilizing the time allotted for responses. If this could wait until after your party's response time, it might be helpful.

Mr Ruprecht: I will wait.

The Speaker: Further responses?

Mr Bradley: I can get up and talk about something.

The Speaker: It is your time.

Mr Bradley: When the member was making this point to the Legislature, I was waiting patiently to hear somewhere in her announcement whether she was going to announce a new CAT scanner for the Niagara region, because she knows the need. I have talked to the people locally in my area who are involved with drug and alcoholic addiction and they would say that of course this is needed.

People in the Niagara Peninsula have had to go to the United States and some people have gone as far south as Texas and other places where people are advertising their services. I will put it kindly. I know the Minister of Health and members of the standing committee on public accounts have been extremely concerned that these people have been almost recruited to go to the United States at a great cost.

The fact is that the services we provide in this country in many circumstances are equal to the services provided there. We have in the Niagara Peninsula a group that has come together specifically in my city of St Catharines to look at all the services and see where there is duplication and who is doing what best. With the additional funding we are going to see for this program announced by the Minister of Health today, I think they will be in a better position to deliver those services.

Those of us who served on the standing committee on public accounts had the opportunity to hear witnesses from a variety of fields who indicated the genuine need here, the good services that are available here and the underutilized services. I am not suggesting an advertising campaign by the government, but I think the Ministry of Health would want to be involved in encouraging people to look very carefully at our own facilities here in Canada.

I know the people in the Niagara Peninsula as well would say that with the lineup now of some six months for a CAT scanner while there are dogs and cats that are able to get services up in York region, those people hope that the Minister of Health would rise in this House on some occasion very soon to announce permission for a second CAT scanner to be installed in the Niagara Peninsula so that the same service that is available to many other communities in this province will be available to us.

1400

Mr Eves: First of all, I would like to start by applauding the minister for the announcement she made today. I do not think there is any secret that we need additional drug and alcohol rehabilitation treatment programs and facilities in Ontario.

The minister previously announced that a committee would be established to review applications of those Ontario residents who require treatment outside the province of Ontario, where that treatment is not available within the province. This committee, as I understand it, would review those applications and then would okay or not okay, as the case may be, treatment in other places.

I would be interested in receiving a report from the ministry with respect to the status and the success of this committee, because I am concerned, as I believe every-

body should be—and I am sure the minister is as well—about patients who require immediate or emergency treatment and concerned that this treatment is not delayed by some bureaucratic red tape.

The last point I would like to make with respect to the announcement today is that we really have the need for a comprehensive needs assessment in Ontario with respect to drug and alcohol treatment and rehabilitation programs to figure out what we do have, what is needed and what we can afford to do in the most appropriate fashion on a province-wide basis. Obviously we do not have nearly enough, or all these people would not have been going to other jurisdictions to get the treatment they so sorely need. And of course the Ontario taxpayer ultimately ends up paying for it.

Mr Harris: I just want to refer to one part of the minister's statement, page 2, where she says, "On the other hand, young people are often best served in a residential centre, away from an environment that may be feeding an addiction."

I agree with her and I think many experts agree with her that the appropriate solution for some is not necessarily appropriate for others, but there is considerable expertise in the province in long-term residential care, particularly for youth who are chemically dependent.

I want to say this to the minister. We have, I think, about 40 or 50 beds available in the province. I do not have the figure at my fingertips; it is not very many. However, while we have such a dearth and a shortage, and many have had to go out of province to seek this type of help in breaking long-term dependence, we have shut down in the Nipissing-Parry Sound region a facility that proved effective at a cost far below that of virtually any other facility in the world for providing this very type of program: the Vita Way farm. It is not just for the benefit of those, really, from Nipissing or Parry Sound, but indeed from the province, because it is a residential setting with a view to removing young people from the environment where they live to help break those habits and lifestyles that are part of chemical dependency.

There has been a very, very talented group from the Nipissing-Parry Sound region which has been pleading with the government not to let this program die—not to say that some of the other studies in other areas are not necessary, but that the minister should not let this facility, should not let this expertise, should not let this type of program die while we go on with years, it looks like, of study.

I would ask the minister if she would look at the proposal that is before her ministry and Community and Social Services as well, because it is involved with this as well, for an existing facility with existing expertise at a cost far, far less than any other facility or any other program I have seen around the world, and one that has been working very well. Let's not allow this to fall through the cracks while we sit and wait for new, grandiose schemes where we will have to build them all anew.

Mr Jackson: Ontario is about to lose one of its only three lithotripters in this province. In a meeting I had with the minister on Friday last I raised it with her. Time is running out. We are still sending working people from

Ontario to Buffalo, New York, for this treatment, and yet we are about to ship this machine out of this province. I would hope that the minister would consider that in the same context as her announcement today, to make sure that these services are here in Ontario for Ontario workers.

EXPO 98

Mr Ruprecht: On a point of personal privilege, Mr Speaker: In a parliamentary democracy the members must have the right to question the government as to how it spends the taxpayers' money. This right has been abrogated by the Minister of Tourism and Recreation. On a number of occasions he has mentioned to the press that he will be supporting Expo 98 with \$1 million; on another occasion, for \$500,000. We have to know, in terms of having a statement in the House, how the minister will spend the money, and have no other recourse but to ask you, Mr Speaker, to—

The Speaker: Would the member for Parkdale take his seat. The member may know that he does not have a point of privilege; however, it does sound like subject material for question period, which is soon to unfold.

VISITOR

The Speaker: Before we begin question period, members may wish to welcome to our midst, seated in the members' gallery east, a former member of the assembly and indeed a former leader of a party, Mr Michael Cassidy.

RENT REGULATION

Hon Ms Akande: On a point of privilege, Mr Speaker: Yesterday serious allegations were made by the member for Mississauga South. I owe it to my government and the people of Ontario to set the record straight.

I understand that the rent review services branch of Ontario's Ministry of Housing will be investigating this matter, as it would any allegation concerning units, and naturally I will assist them in every way that I can.

I purchased the duplex with my brother, David Shepherd, in 1984. Immediately prior to the purchase, the building had been so extensively renovated and altered that in fact two new units had been created. At this time, it was possible under section 128 of the residential properties act to renovate a unit so substantially as to create a new unit and to set a new rent without application to rent review. This was in accordance with applicable legislation, dependent on the amount of money spent on a renovation and/or the nature of the work done.

The renovation at 964 Avenue Road was extensive and costly. The cost was more than 25% of the total cost of the building and the land. Renovations included modernizing and updating the heating, electrical and plumbing, reconfiguring the interior, adding a second bathroom to each apartment and rebuilding and reconfiguring the kitchens. It was common practice at the applicable time to assess such an expenditure per building as a new unit, in accordance with applicable rent review legislation, and new rent was set without application.

After the renovations and the purchase were completed, one unit, the lower, had an initial rent set of \$1,000

per month. The other unit was occupied by the co-owner, David Shepherd, who of course did not pay rent. In subsequent years, the rent of the first unit, the lower, was increased in accordance with the rent review percentage guidelines. In 1989, I purchased my brother's share of the building. Because the building's second unit had been occupied by an owner-occupier and had no applicable rent history, the second unit's initial rent was set according to the requirements of the legislation.

When I was appointed to Ontario's cabinet, the Premier determined that my ownership of this duplex was not in conflict with his conflict-of-interest guidelines.

The Speaker: I take that to be a point of personal explanation by the member, and it is duly noted.

1410

ORAL QUESTIONS

BUDGET

Mr Elston: I have been pursuing the Treasurer for the last couple of days to find out exactly how far out of whack his already reckless \$9.7-billion deficit is. I wish that he could help me out today. I have been poring over his 1991 budget, which talks about his \$52-billion-plus expenditure side, plus his \$9.7-billion deficit projection. Having not known yesterday how many hundreds of millions of dollars he is off his \$9.7-billion deficit, can he tell us today if he knows how many hundreds of millions of dollars his deficit is out of control?

Hon Mr Laughren: I will say to the interim leader of the official opposition yet again that the deficit is not out of control, nor are our expenditures out of control. We, as a responsible government, just like any responsible organization, whether in the private sector or the public sector, must keep a very close eye on expenditures during the year. I have said again and again that we are determined to keep control of our expenditures so that the very thing the member implies is happening will not happen. We are determined that we are going to keep control of our expenditures so that we do not exceed the deficit number. We will work very hard, to the best of our ability, to make sure this does not happen.

Mr Elston: I have both the budget and the paper that he released just last month, which says that not only are his revenues on target—or, as he describes them, “spot on,” whatever that means—but that his operating expenditures are almost exactly right; in fact, in total, his deficit is down just last month by some \$5 million.

Now, here we have both the prime minister of this province and the Treasurer running around since this paper has been released, saying: “We must cut back on our expenditures. We must cut, in fact, hundreds of millions of dollars.” Can the Treasurer tell us, as he is unable to tell us exactly how many hundreds of millions of dollars he is cutting, what has happened since just last month, when everything was, to use his words, “spot on,” to make sure that in fact some catastrophe has occurred in the last 30 days? What is going on?

Hon Mr Laughren: The first-quarter results to which the leader refers dealt with the period of time from April 1

to June 30, the end of the first quarter. At that point, it did not look to us as though the expenditures that we are now concerned about were going to be as high as they now appear to be. That includes things such as the rapidly increasing social assistance case load. There are some shortfalls in making up the deficiencies in the two major pension plans, the teachers' plan and the Ontario public service pension plan, and there are some costs associated with the rather open-ended health care system we have in this province. As we continued to monitor those numbers during the summer, after the publication of the first-quarter finances, it came clear to us that they were going to be higher than we thought they were going to be and that we had better take action to control them.

The other component, of course, is that while we feel our revenues coming from Ontario sources appear to be the way we projected they would be, or very close, we do not know—the history of Ottawa is rather an erratic one in terms of the revenues it gives us in the form of, for example, the provincial income tax revenues. The member's government remembers how erratic those payments were. They would be out as much as \$1 billion in a year. So we have to be very careful about managing our expenditures.

Mr Elston: The honourable gentleman just mentioned the B word. I wonder if that is close to the hundreds of millions of dollars that he is out.

I wish to ask him about something that is very intriguing to me. He has indicated there are obviously massive problems with the funding for both the teachers' and the public servants' pension plans. He has mentioned that both yesterday and again today. Since he will not identify the margin by which his reckless \$9.7-billion deficit is in jeopardy, can he tell us and define for us precisely how much the teachers' pension plan and the Ontario public service pension plan are out of line, so that we can start getting bits and pieces, one at a time, line by line?

Hon Mr Laughren: First of all, I should clarify for the member that when I said the B-word, the billion word, what I was saying was that the federal government's payments to the previous government of the province were out by about \$1 billion in one year. That is why I raised that as an area that is erratic and difficult to predict.

Mr Elston: They're not quite spot on.

Hon Mr Laughren: No, they are not spot on with their numbers. I can tell the member that.

The member asked me about the deficits of the teachers' and the public service plans. The member will remember, I think, that going back to 1989 there were changes made in the legislation governing those two plans.

An hon member: By whom?

Hon Mr Laughren: By the previous government. At that point it was felt that the deficit of the teachers' plan was around \$4 billion, the actuarial deficit, and of the public plan \$1.9 billion.

Mr Elston: It was never that low.

Mr Conway: The teachers and the NDP said it didn't exist.

Hon Mr Laughren: No, that is not true. This was under the previous government. This was back in 1989.

Since then, an initial evaluation of the plans has increased the deficit on both those plans. The deficit on the teachers' plan went from what was originally thought to be around \$4 billion to \$7.8 billion. Now that does not have to be made up all in one year. I think the member appreciates that. In the public service plan, the deficit has increased from \$1.9 billion—that was in 1989—to about \$2.5 billion. There is, by the way, no relationship between the partnership worked out between the government and the teachers—

The Speaker: Could the Treasurer conclude his remarks, please.

Hon Mr Laughren: —dealing with this increased deficit.

The Speaker: New question.

Mr Elston: I am somewhat surprised. Mr Philip was to have been here today. I have just been advised now that he will not. Is it true that he will not be here today? Is Mr Philip not going to be in?

Hon Mr Cooke: We will check.

Mr Elston: Okay, Mr Philip is not going to be in. The Premier is not here. Let me then follow along to the Treasurer, since the Treasurer is here.

It seems to me that while we wish the Treasurer could talk to us about an increase in the job market in the province, what he has done is make a lot of work for a lot of people like me who are trying to figure out what the magnitude of his problem is, but it is like pulling teeth, one at a time—very, very difficult.

The Treasurer has now talked about the teachers' pensions, to which I suspect he will be requiring teachers to contribute, and he nods his head yes. Can the Treasurer now tell us what other lines are causing him serious heartburn as he looks at the sanctity of his \$9.7-billion deficit?

Hon Mr Laughren: Besides the opposition, he means.

I have already alluded to the matters that are causing us a problem besides the deficits in the teachers' plan, which really do go back some time and are not the result of anything that was done in the last year or even the last two years. That is simply not the case. I have referred already to the increase in the social assistance case load. That is directly a result of the recession and the severity of the recession in this province. I mentioned some of the health-related issues, such as OHIP and the Ontario drug benefit plan, and the home care costs as well.

Those are the major issues, although just the other day we learned that the cost of firefighting in the province is up substantially this year over what it was expected to be. As a matter of fact, it is higher than it has ever been. So there are a number of issues that are problems that are causing us heartburn, as the member would put it, because of the pressures they are applying on us in managing our expenditures.

Mr Elston: Yesterday I asked the Treasurer to identify who would be on the losers' list. Today he has talked about pension plans being a problem. He has just now enumerated

at least three areas in the health care sector which will be the subject matter of expenditure pressures.

Hon Mr Laughren: I didn't say that.

Mr Elston: Just a minute. He said he did not say that? He did say that, okay? He nods in agreement. The health sector is causing him tremendous discomfort with respect to expenditures. Can he tell us that he is not going to cut away from funding for hospitals and for home care, which look after the social and health needs of our seniors and the public in general? Can he declare that there will not be a touching of the health budget with respect to his cutbacks?

1420

Hon Mr Laughren: First of all, I will say that I will not make that decision anyway. We have in this government a Health minister who is in complete control of her ministry.

I think that the leader of the official opposition, though, would recognize that when we are under the kinds of pressures we are now with our expenditures, we look across the entire government for ways in which to manage our expenditures in a better way and a more judicious way, and we intend to do that, but I am not standing here in my place today and announcing where those expenditure management actions will be taken. That will be done and I will be making—I have already said I will be making—a further statement next week.

Mr Elston: As I said, one tooth at a time. Now we know the pension plans and the teachers will contribute to the government's mismanagement. We now know that the health care budget will also be sacrificed to deal with their mismanagement. Can the Treasurer tell us, while Ontario is involved in such a need for the creation of new jobs and retraining of people, that he will not touch the budgets of both Education and Colleges and Universities, which are needed to get us ready to come back from the doldrums of this economic recession and also from the problems which have been created by the uncertainty of his administration and his lack of expertise when it comes to dealing with provincial budgets?

Hon Mr Laughren: I think the member should stop trying to get me to pull another tooth at a time by his questions. I am not going to start making a list of where constraints will be effected. All I can assure the member of is that they will be done in a way that is as equitable as possible and in which ministers themselves will have a say and an actual part in determining where those constraints will take place.

VISITOR

The Speaker: Will you stop the clock, please? Before continuing, members might like to welcome to our midst and seated in the member's gallery west, former member of the assembly and also minister of the crown, Mr Jack Riddell.

RENT REVIEW

Mrs Marland: My question is for the Minister of Housing. Yesterday I brought to her attention an example of an apartment that was once an affordable unit and is now no longer affordable. I am quite happy to await the

details of her investigation before I comment further on that example.

We on this side of the House have expressed concern with the rent control system now for several years. The current rent review system is not creating more affordable units and it is a bureaucratic quagmire, I think the minister would have to agree. Would she also agree with our party's proposal to undertake a cost-benefit analysis of a shelter subsidy system for tenants in Ontario?

Hon Mr Cooke: Why don't you apologize for what you did yesterday, Margaret?

Interjections.

The Speaker: Order. I am asking the members to come to order.

Interjections.

The Speaker: Just when everything was running so smoothly. We can continue with question period, provided that people can remain calm and that questions can be placed in an orderly way. The Minister of Housing had the floor. Would she please continue.

Hon Ms Gigantes: It obviously would help if the honourable member opposite would ask her question and not refer to items which will generate some noise and discussion around here.

Mr Eves: On a point of order, Mr Speaker: That sort of comment from the minister is totally inappropriate. What precipitated this discussion was the flim-flam coming from the government House leader. If he would shut up, we would all get along with our business.

Interjections.

The Speaker: I ask the house to come to order. Before this degenerates any further—

Interjections.

The Speaker: Order. If the members cannot come to order, we will have to take a recess.

Interjections.

The Speaker: I ask the members to come to order. The members are capable of a more calm and reasoned approach to our public business, I know that, and I ask now that all of you attempt to do so. Would the Minister of Housing please respond to the question and the question only.

Hon Ms Gigantes: Perhaps it would do well if I reminded people that the question was apparently about the member's desire to see us invest as a government in a cost-benefit study of rent subsidies as a means, it seemed to be suggested, of producing more rental housing in Ontario. It was also implied in the question that of course rent control measures somehow were destroying rental supply.

I would point out to the member, first of all, that in provinces, states and other jurisdictions which do not have rent control systems or indeed rent review systems, the problem of increasing rental supply continues apace. It is very comparable to the kind of problem we have had here in Ontario.

Second, I wonder if, as the Housing critic, she has had time yet to familiarize herself with the joint study undertaken by the Ontario union of co-ops—I have forgotten its

name because I am new to my portfolio—with the Ontario Non-Profit Housing Association. That indicates that the cost of the kinds of measures that she might like to substitute for rent control would be about \$1.2 billion annually. Does that satisfy her need for a cost-benefit study?

Mrs Marland: The current rent review system is costing taxpayers in excess of \$40 million, and I remind this minister of that fact. The government, in its attempt to build every new affordable unit in this province, will spend over \$875 million in non-profit operating subsidies by 1993-94, with a mature annual Ministry of Housing budget of \$1 billion, an increase of over 300% from the ministry's 1985-86 budget of \$243 million.

Given the amount of money that the minister's government is spending on housing, why will she not look at alternatives, rather than simply adding new rules to the existing system?

Hon Ms Gigantes: The legislation which we have brought to this assembly is legislation which we hope very much will lead to a simpler and more effective method of rent control, and in fact the moneys that will be invested—the member opposite cites \$40 million—look very cost-effective to this minister when compared with the fund which would be required to provide the alternative which she is suggesting, which is rental subsidy, which would, according to the best estimates made in Ontario, cost \$1.2 billion annually, and we would not have any stock to show for it once we have paid that annually.

1430

Mrs Marland: I do not know what this minister's interpretation of "simple" is, except perhaps something I would be better not to refer to. The fact is this minister is going to be spending in excess of \$1 billion, and yet she is apparently not willing, by this response, to look at alternatives. We are simply saying that given the amount the government is spending, we would like to see a system that protects tenants and landlords and, more important, targets assistance to those who absolutely need it. Will the minister not agree we should look at a shelter subsidy system?

Hon Ms Gigantes: The member will know that in fact we have put out a consultation paper which we have asked Ontarians to have a look at and respond to. She certainly is welcome to put her opinions into the ministry, as I am sure she will, by the method of question period over time. We have asked Ontarians to think about the relative benefits of providing non-profit co-operative housing, community-based housing of the kind that we have invested a lot of money in and that we think is providing both good housing and employment for people in these times.

I would ask her also to consider putting in her views, if she still feels the best way to provide for people who are having trouble in the private market in housing is to provide rental subsidy. Let us know. All Ontarians are invited to take part in this consultation. We would be glad to have her views, along with everybody else's, and we are certainly going to look at them all.

ASSISTED HOUSING

Mr Harris: My question is to the Minister of Housing too. She is involved with the federal government and with others and billions of dollars in trying to provide housing. Each year another \$100 million, \$500 million, \$1 billion is added. The problem gets worse. That is why we are striving for solutions to help people, not subsidize bricks, mortar, Layton, buildings, developers.

One of the reasons for that pertains to my question to the Minister of Housing. Last week, Toronto city council voted to back out of the proposed Ataratiri housing development unless the province agrees to cover expenditures above the already promised \$800 million. Three years ago, when the Liberal government announced this project, estimated costs were \$444 million. At that time I said, "It is unrealistic," that the government had failed to plan for land acquisition, for infrastructure, for environmental considerations. I said, "The costs are unrealistic."

My worst fears have been realized. The Urban Development Institute predicts the minimum cost over 10 years will be in excess of \$2 billion. There is a point where affordable housing is no longer affordable, and we are now beyond that point. Each of the 7,000 units is now estimated to cost \$250,000 per unit. Does the minister intend to waste even more money by covering further expenditures for this project?

Hon Ms Gigantes: I believe the leader of the Conservative Party understands it was not this government which undertook to take a look at the development of a total community on the Ataratiri lands. In fact, with hindsight, I would say his views at the time, if he is quoting himself correctly, were probably accurate. The land was bought at a time when it was very dear, relatively speaking, and we are now in a situation where the value of that land is lower on the market. In fact, the whole housing market is very different from the way it looked back in 1987.

However, those lands are mainly now in public ownership, through the agreement with the city of Toronto. Certainly we will be working with Toronto to make sure the best possible use is made of them. We are working hard on that to make as reasonable and practical plans for the future as we can.

Mr Harris: It will cost \$2 billion for 7,000 units. The taxpayers of Ontario cannot afford any longer for this government to now make up its mind. I agree it was a Liberal government that embarked on this path. It does not matter if it is a Liberal or socialist government, or semisocialist government. When governments intervene where they do not belong and pretend they can handle the marketplace, this is what happens.

The minister received environmental evaluation reports last March. At \$3 million an acre, \$237 million has been spent on expropriating land, a ludicrous amount for severely contaminated land. Each day now that the minister delays costs \$60,000 interest to the project debt. Today \$2 million a month provides shelter subsidies to 8,000 needy families in existing private sector houses. How many more taxpayer dollars is the minister going to waste on this project before she makes up her mind one way or the other, where she

can now help 1,000 more needy families today by working with the private sector in a shelter subsidy program?

Hon Ms Gigantes: Let me assure the leader of the Conservative Party that when we are working away on this project, we are looking at all the alternatives. I am sure he would wish us to look at all the alternatives. That is precisely what we are doing.

Mr Harris: If the minister sells the property today, she would get some of the money back and cancel the \$60,000 a day in interest. If the minister put up that money, she could help 8,000 families today and for ever, 1,000 more than she is going to help with this project.

We know there is a great need for affordable housing in Toronto. Nobody, I hope, can stand up in this house and call a unit affordable that costs \$250,000 to build. Private developers like CN Rail have been waiting five years for permission to build more than 5,000 units of housing near Spadina Avenue. They have agreed to build 2,000 units of affordable housing at not one cent's cost to the taxpayer.

It is time for the minister to refuse to extend guarantees on this project, on the loans, to cut the losses from this white elephant and to take that money and help real people who need help today in getting decent housing for themselves. Will the minister agree to cut this white elephant loose and put that money to helping people today?

Hon Ms Gigantes: The implied solutions to the housing problems which are confronting thousands of people in and around the Toronto area and across this province that have been suggested through the questions raised by the Conservative Housing critic and the Conservative leader really are a strange mishmash when they suggest (1) that we should dump rent controls, (2) that we should simply sell all the lands at Ataratiri without a second thought, without looking at alternatives, at this point in the land market situation, and (3) we should give that money to people to go out and look for rental housing they can afford. The member opposite says this will go on for ever. This is all going to be spent in one shot, as far as I can understand what he is saying. This is a very mishmashed kind of solution. I hope they will both take the time to sort out their ideas and put in some positive suggestions to our housing policy framework consultation.

LABOUR DISPUTES

Mr Offer: I have a question to the Minister of Labour. Earlier this week the minister castigated any suggestions of interference in the collective bargaining process. In fact, just last Monday he defended his government's refusal to intervene in the TTC strike and told this House that the NDP government got the people and the drivers back to work as quickly as possible and that this was achieved without destroying the collective bargaining process.

I am wondering if the minister could help us out on this side of the House. How can he reconcile his refusal to intervene in the collective bargaining process during last week's TTC strike with the precise pay ceiling that was given to his former colleague and Council of Regents chair, Richard Johnston, who is currently negotiating with the service staff of the province's 23 community colleges? How can the minister reconcile those two divergent activities?

1440

Mr Bradley: There it is. No flipping it away. You can't pass this one off.

Hon Mr Mackenzie: I am going to refer this to the Chairman of Management Board of Cabinet.

Hon Mr Silipo: Let me say to the members opposite it is quite appropriate that I be the one who answers this question.

Mr Bradley: No, it's—

The Speaker: Order, the member for St Catharines.

Hon Mr Silipo: In terms of any discussions that have happened, I have been involved in those. Let me just be very clear with the member opposite and the members of the House. We have not intervened in the collective bargaining process. We have had discussions with the folks in the colleges sector, as we have had with other public sector employers and unions, to indicate to them the kind of fiscal reality we are facing and asked them that they keep that in mind in their negotiations.

Mr Offer: I am quite amazed that the Minister of Labour refuses to answer a question dealing with the whole issue of collective bargaining and what his position is and how he can reconcile his position, instead of throwing it off to another minister.

However, I think the minister will be aware that the Treasurer is refusing to tell the people of this province what the magnitude of this government's overspending problem is. He is refusing to be upfront with this Legislature. I would like the minister to contrast the statements of the Treasurer with the comments made by his assistant deputy minister, who stated, "It would be wrong for the government not to let the people know what our circumstances are." All we are asking for is some consistency.

What kind of rules is the minister playing by? Is it okay to increase the salary of the civil service and the doctors at the sacrifice of the men and women who work at the community colleges? What is the minister's position in terms of those issues?

Hon Mr Silipo: Let me remind the member that the Treasurer has clearly indicated he will be making a statement in the House next week detailing some of the information the members have asked for. I will also be making a statement in the House next week following on some of those issues and dealing with questions of public sector bargaining.

As I have indicated, there is no inconsistency in the statements that have been made. As we head into the next year, there are some fiscal realities we are facing. There will be an impact within the question of salaries and wages, which we have discussed with our unions informally, which we have discussed with the public sector employer groups and which we will need to continue discussing with people in trying to arrive at a solution.

LABOUR LEGISLATION

Mrs Witmer: I have a question for the Minister of Labour. As he knows, the Canadian Federation of Independent Business released a survey in June of this year which found that when workers were asked if they would rather belong to a union, 57% responded no while only 37%

responded yes. I have been receiving correspondence from individual workers who are concerned about the labour law reform proposals. They are indicating to me that they do not want to join a trade union. However, they feel this legislation will not allow them an opportunity to express their desire not to join.

Does the minister agree that his present labour law reform package supports the rights of trade unions at the expense of individual rights? What changes is he prepared to make to ensure that the individual rights of each worker are preserved and protected?

Hon Mr Mackenzie: No, I do not think it interferes with the rights of workers at the expense of trade unions.

Mrs Witmer: That is a very simple answer, but I can assure the minister that employees and workers throughout this province are fearful because his labour reform proposals will make the certification process easier by lowering the level of support for automatic certification to only 50%. His proposals will provide access to an employer's premises and employee lists, his proposals will eliminate the obligation to collect the \$1 union card fee and his proposals will also take away the individual employee's voice in the certification process through the elimination of petitions.

If unions are given more rights, as this legislation seems to indicate, they should also be given more responsibilities. Why has the minister not proposed the introduction of a representation vote in all cases so that each affected individual can democratically express his or her choice on unionization?

Hon Mr Mackenzie: I am surprised. I thought the member's position was the status quo. I have no difficulty at all with the benefits to Ontario of workers having the right and being able to organize into a local union. I think that has been one of the strengths of this province.

I would point out to the member that we do not have a set position or a recommendation as yet. We are developing a discussion paper which has not gone out for discussion purposes as yet. There are a number of options on that paper, and when it is ready it will go out and we will hear what the people think of it.

FOREST MANAGEMENT

Mr Martin: My question is for the Minister of Natural Resources. With the new initiative of his ministry to protect old growth, there were many concerns raised about cutting that was already scheduled and approved in the candidate site of Galloway Lake. Could the minister please indicate to the House what his action has been to date on this concern?

Hon Mr Wildman: The member for Sault Ste Marie is quite correct. Many environmental groups have raised concerns about the cutting in the previously announced protected area of Galloway Lake. However, we have been able to accommodate those groups' concerns by ensuring that the east Galloway Lake area will be protected from harvesting while the conservation strategy for old-growth forest ecosystems is being developed.

The initiative that protects this area was developed in discussion with some of the environmental groups and the decision enables us to ensure that the criteria for the old-

growth candidate sites are met and that we are able to connect the east Galloway Lake area with two other areas previously identified, the Bliss and Quinn lakes areas, so that we have a total protected area of 6,000 hectares. I think this protection of such a large area while we develop the old-growth ecosystem strategy is an indication of the recommitment of this government to the protection of old growth in the province.

Mr Martin: I would like to commend the minister on this sound environmental initiative. I would further note, though, that as a northern member I have great concern as to the impact decisions like this may have on the forest products industry. Could the minister please indicate what the situation for the industry is as a result of this direction?

Hon Mr Wildman: I know the member is concerned about the forest industry in his area and jobs in the area of Sault Ste Marie, but I can assure him that the decision that was made in conjunction with the environmental groups enables us to protect the old growth in the east Galloway Lake area while at the same time ensuring that in the west Galloway Lake area there is timber available for harvest and renewal that will support the local forest industry and protect jobs and ensure the viability of the forest industry in the Sault Ste Marie area.

1450

ONTARIO HYDRO RATES

Mr Conway: My question is to the Treasurer, the member for Nickel Belt. Having regard to the government's new emphasis on the first order of importance of economic renewal, can he help me understand how it is that Ontario Hydro rates that will be increased minimally by 12%—and in many parts of northern and eastern and southwestern Ontario where there are not the economies of scale those rates of increase are very likely going to be 13%, 14% and 15%—how those kinds of increases are going to stimulate and assist our recession-ridden Ontario economy?

Hon Mr Laughren: I think the member understands very well that any time you have an increase in the costs of doing business, it makes it more difficult to do business. I think that is a given. At the same time, I do not think any of us expect that Ontario Hydro can internalize the very substantial costs of what has been a large nuclear expansion program in this province. We know that well over half of the components of that increase are the cost of Darlington and, quite frankly, the costs of some of the inefficiencies in the nuclear generating stations.

No one likes to see increases of a double-digit nature in Hydro rates, but at the same time I do not think there is anything that can be done about it because those costs are there and Ontario Hydro needs the revenues to pay for them. It is as simple as that.

Mr Conway: In his statement on Monday the Premier decried the collapse of the rural economy. I say to the Treasurer that I represent rural, small-town eastern Ontario where my communities of Pembroke and Eganville and Cobden are wholly dependent in the main on electricity. They hear Hydro say that not just this year will the bulk

power rate be increased by at least 11.8%, but that this will be the order of the day for the next three to four to five years.

When you take that statement from Hydro and add that to the energy and hydro policy of this government contained in the endlessly fascinating Bill 118, I ask my friend the Treasurer, given what he said and what the NDP has said over the years about their objection to regressive taxes, what do they say to the unemployed loggers and the beleaguered farmers of the Ottawa Valley who look to this essential service and realize that they are going to face rates of increase probably in the 12% to 15% and perhaps 20% range for as many years as this government is likely going to enjoy this mandate?

Hon Mr Laughren: I would ask those people to take into consideration the fact that these are increased costs that Hydro simply must pay. Second, we should all be happy with the fact that this government is attempting to move away from our reliance on nuclear power and to implement some conservation measures so that in the future we hope that by not having such a reliance on a very expensive source of power, these things will not happen. That is our goal.

ONTARIO HUMAN RIGHTS COMMISSION

Mr Cousens: I have a question for the minister responsible for the Ontario Human Rights Commission, the Minister of Citizenship for the province. On June 6 of this year I met with the chairperson of the Ontario Human Rights Commission and learned at that time that she had a great deal of faith in the new case management system.

As of October last year, \$3 million was set aside for 10 investigators to take some of the more difficult cases in the backlog. In the first six months, instead of solving those 200 cases that were assigned, 71 cases were closed and then in the next six months there were another 200, so 400 cases were approached and of that in the early while they were not very successful.

Yesterday the minister announced \$6.4 million towards the whole backlog problem we have in human rights cases in Ontario and she was going to bring on 33 extra investigators for a time. She has also brought on a new vice-chairman and a new chief of the board of inquiry. I have a very simple question. How can this minister or this government justify spending close to \$10 million of taxpayers' money on a system that is not working?

Hon Ms Ziemba: First of all, I would like to bring to the honourable member's attention that \$3 million was not added to the OHRC last October for a 10-person case study review. What actually happened is that \$3 million was put to the OHRC in 1989. Our \$6.4 million is one-time funding to eliminate the backlog, one-time funding that will be spread over three years to make sure that the system works properly, that we have a healthy effect on this team, that we look at staff training and that we look at management training, and I think that this is a good investment.

Mr Cousens: The goal was 200 cases in the first six months and only 71 were resolved. That was not much of a record. It was a dismal failure. It is obvious the system is not working. The commission's staff admits the system is not working. The Ombudsman has now said the system is

not working. The minister herself stated in the House on June 11: "Obviously, last year the increase of \$3 million did not address the backlog...it did not make a difference. We just saw an increase in the backlog and that is how it was."

In the minister's own words, the system is not working. Why does she insist on recklessly throwing money at this problem and adding more bureaucratic layers on a system that is not working. Where is the money going? What is going on over there? Why do we not have a complete overhaul of the Ontario Human Rights Commission and solve the problem once and for all?

Hon Ms Ziemba: First of all, the system has not worked. The member is absolutely right. The Ombudsman did come back and say that we needed to make some substantial changes. I would like to ask the member—

Interjection.

Hon Ms Ziemba: No, we are not throwing money at it. What we are doing is putting in a system with 33 new people who are going to have a project director who is going to report monthly to us to tell us what is happening. There is accountability. There is fiscal responsibility.

I also would like to ask the member, while we are doing this project and code review—and we are going to do a code review—is the member going to go back to his constituents, is anybody in this House going to face those constituents and say: "No, we are not going to address your rights and your human sufferings. We are just going to leave and abandon you"? I do not think I am going to do that.

The Speaker: New question. The member for Lincoln.

Mr Hansen: My question is for the Minister of Agriculture and Food—

Mr Cousens: On a point of order, Mr Speaker: Can she not answer the question?

The Speaker: Order. The member for Markham understands our system about posing questions and that there are responses. We do not necessarily call them answers.

Mr Cousens: I could at least answer her question.

The Speaker: The system does not work that way. The member for Lincoln with his question.

Mr Hansen: I received a letter here—

The Speaker: The member for Durham East with a point of order.

Mr Mills: On a point of order, Mr Speaker: This afternoon a number of people in here have referred to members and ministers by their names, and just now the member for Markham called the minister a "her." I object to that. He called her a "her."

Interjections.

The Speaker: Order. I would ask the members to come to order. I would ask that all members refer to others as members of the House or as ministers of the crown and not refer to each other's surnames or any other names. The member for Lincoln.

ASSISTANCE TO FARMERS

Mr Hansen: I received a letter here from Roger George, president of the Ontario Federation of Agriculture.

This is a badge I am wearing: "No support, no farmers, no food."

I have a question of the minister. The farmers are pleased with his recent announcement of a \$93-million interim payment for the gross revenue insurance plan, which will partially address the financial—

Interjections.

1500

The Speaker: Order.

Mr Hansen: Can the minister tell us when the remainder of these much-needed safety net benefits will flow to Ontario farmers?

Hon Mr Buchanan: The \$93 million that the member refers to is an interim GRIP payment which is for the 1991-92 crop. Normally that payment would not flow until 1992. The interim payment which will start to flow in mid-November represents between 35% and 50% of the payment expected, depending on the commodity. The balance will go to producers in two other payments, another interim payment in the spring, with a final payment probably going out late next summer or fall.

AUTOMOBILE INSURANCE

Mr Scott: I have a question for the Minister of Financial Institutions about automobile insurance. I understand he may be hesitant to answer our questions, but I thought perhaps he would be able to answer the questions of his own supporters.

On September 10, Mel Swart, a former member of this House, the dean of the House, I think, at one time, gave an interview to the St Catharines Standard about the government's flip-flop on automobile insurance. He pointed out that the central part of the automobile insurance plan on which the government had run in not only 1987 but 1990 had been part of the NDP's policy since its creation and part of the policy of the Co-operative Commonwealth Federation party long before that.

He said that he had received calls from a tremendous number of NDP supporters across Ontario, because he had devoted much of his career to the advancement of this policy. He said he thought the Premier was wrong, that the decision of the new government, in which he had such confidence, was—and these are his words—"a very bitter disappointment and a very serious mistake." He was also concerned, he said, particularly because the decision made on automobile insurance, "shows how the government may handle other important policies in the future."

If the minister will not answer us, what is the answer he gives to Mel Swart and his supporters?

Hon Mr Charlton: Perhaps it is useful that the member for St George-St David has raised this question here today, because it gives us the opportunity to deal with it. The Minister of Financial Institutions, the member for Hamilton Mountain, does not say anything different—

Interjections.

Mr Scott: I am not the slum landlord. That is the slum landlord.

The Speaker: Would the minister take his seat for a moment.

The member for St George-St David, we are attempting to re-establish a tone in here in which we can all have a calm and reasoned approach to the public business. The Speaker and others would appreciate your co-operation in that manner, and perhaps you will withdraw the remark that was made.

Mr Scott: My allegation was that rents were charged that are beyond that permitted by law. Any other allegation I made I withdraw.

The Speaker: Would the minister respond to the question, please.

Hon Mr Charlton: This member does not say anything different to Mel Swart, the former member for Welland-Thorold, than he said to the media on September 6 or that he spent an hour on CBC Radio two weeks ago Monday saying to the larger general public of this province.

The government did not reject its policy of public auto insurance. This government has not changed its view of the value of a publicly owned automobile insurance system. This government will be releasing in the coming months its plans for public auto insurance and it, in effect, will be the yardstick against which we measure the performance of the private sector, because it has said it can do it.

Mr Scott: I should have brought to the honourable minister's attention what Mr Swart also said. He said you may expect "that the reasons given by the government for abandonment will not stand up under any examination."

But if that is the answer he gives to Mr Swart, what answer does he give to the honourable member for Welland-Thorold, who said this, and I think he was accurate about this, the next day in the St Catharines Standard: "There isn't a New Democratic Party member in this entire province who did not campaign on the promise of public auto insurance, and to permit this type of 180-degree reversal seems to me to be a betrayal of the commitments that those people made to their voters. I am disappointed. I can't think of a policy that was more central to the NDP platform in this province." Then he goes on to say that the insurance industry has got to the Premier's office.

What does the minister say to his present colleague? We have heard that he has diffused what he says to Mr Swart. What does he say to his present colleague, the member for Welland-Thorold?

Hon Mr Charlton: I do not intend to try to put words into the mouth of the member for Welland-Thorold. Having said that, the member for Welland-Thorold says he was disappointed. I was disappointed. The Premier was disappointed. Everybody on this side of the House was disappointed that we were not able to proceed. None of us is ashamed of that.

The test of whose pocket we are in and the test of what we do in the future will be the public acceptance or rejection of the reforms that—

Interjections.

The Speaker: Will the minister take his seat.

Mr Tilson: I have a question for the Minister of Financial Institutions. Yesterday, the Minister of Financial Institutions told this House that his auto insurance reform would include benefit reform, financial loss benefits and tort for pain and suffering but not for loss of income, which will certainly result in discrimination against many members of our community.

The minister's promise of reform is long-standing. We have been hearing about this since last fall and we still have nothing. This government continues to flip-flop on its philosophy while the list of innocent accident victims who have been promised by his government to have their right to sue restored grows daily.

His party has released this past week a tabloid which sets forth his party's policies, yet he continues to tell this House that he is still in the process of consultation. Because of the minister's party releasing this tabloid to his members, I think he owes it to this House to tell us when exactly he intends to introduce a bill setting forth his government's reform on auto insurance.

Hon Mr Charlton: The member obviously does not understand a very complex issue. He should take the time to get up to speed on it. The information which is contained in the tabloid to which the member refers is precisely the same information that I referred to yesterday and precisely the same information which went out to the larger general public on September 6. We are still in consultation and negotiation with the industry and with all of the stakeholder groups. I met all last week and am meeting all this week with stakeholder groups. We hope to be making an announcement in this House during October and seeing legislation during this session. When we are ready to make that announcement, we shall do so.

Mr Tilson: That is about as confusing as Mel Swart's, it really is. I would like to read from the minister's reform—

Interjections.

Mr Kormos: On a point of order, Mr Speaker: I am hoping I misunderstood what the member just said. To make reference to Mel Swart in that type of disdainful manner is the most disrespectful thing to a person who has performed an outstanding role in this Legislature and in this province and who was one of the most non-partisan members of this Legislature who could ever be found. I really would hope that member would reassess the manner in which he refers to Mel Swart, who I and everybody else in this House should hold in great esteem.

The Speaker: To the member for Welland-Thorold, I hope you are not asking the Speaker to rule on what is or is not confusing or who is or is not confusing. That is a very difficult thing for any Speaker to do. I would ask the member for Dufferin-Peel to place his supplementary.

1510

Mr Tilson: This is a quotation from the tabloid the government introduced last weekend to the members of its party: "Under our reforms, we will get a greater access to the courts. By reintroducing the ability of innocent accident victims and their families to sue for pain and suffering, we will be removing one of the worst features of the Liberal system. More people will be able to bring their case to

court, and innocent accident victims will be able to have their awards tailored to meet the non-economic losses they actually experience."

Now, that does not sound like consultation. That sounds like definite policy. Has the bill been written or has it not?

Hon Mr Charlton: Again, I just repeat what I said to the member earlier. It is the same material that was released to the public on September 6. The definition of a "threshold" in legislation, if the member should care to look at the act, is somewhat different from a simple, principled statement like the one he just read out. When we finish the definition of that threshold, we will announce that, along with the rest of a benefits package in this House.

PETITIONS

LANDFILL SITE

Mr Beer: I have a petition signed by some 1,000 residents of King township in my riding. The petition reads as follows:

"King roars, 'Respect our rural environments.' We, the undersigned, oppose the Minister of the Environment's arbitrary decision to make York region Metro's megadump. As concerned citizens, we specifically oppose any landfill site located on environmentally sensitive areas, such as the Oak Ridges moraine."

I have signed my name to that petition.

HEALTH INSURANCE

Mrs Witmer: I have a petition to the Legislature of Ontario which has been signed by 106 people from my community who refer to themselves as the Golden Years Gone Grey:

"The recent policy change by OHIP of reducing their payment for hospital and medical fees for out-of-country vacationers will have a very serious and profound effect on senior citizens. The Blue Cross has already announced their substantial increase in the cost of supplementary insurance. As an example, the cost of out-of-country insurance for three months last year was \$111. This year, with the announced increase, it will be \$347 for a single.

"Many senior citizens on a fixed income cannot afford this additional increase. Some will cancel their plans to get away from the cold Canadian winter, and this will certainly have a negative impact on their health. Others will gamble and leave the country without supplementary insurance, which could prove to be a disaster if they are involved in an accident or have a serious illness.

"We, the undersigned, therefore request the Ontario government to re-examine this change in policy by OHIP as it relates to retired senior citizens who can ill afford this tremendous increase in their cost of living."

TAXATION

Mr Abel: I have a petition signed by approximately 150 residents of the John Bayus Country Club, and it reads as follows:

"We, the undersigned, object to the system of taxation. We are all residents of the John Bayus Country Club and ask for a review of our situation.

"We do not object to paying taxes, but the neighbouring area receives service such as garbage collection, road repairs, snow removal from the town of Flamborough. We receive none of the above benefits and our taxes are out of all proportion to those paid by neighbouring houses.

"We are also caught in a system of mobile home sizes as a criterion of assessing, while smaller trailers pay no taxes but have added rooms, some larger than mobile homes.

"We would also appreciate your consideration of a new tax system for seniors who live in a senior residential area. Many of us have fixed incomes and have invested into a community dedicated to seniors and their needs. We ask that you consider our appeal, and look forward to your reply."

CHRONIC FATIGUE AND IMMUNE DYSFUNCTION SYNDROME

Mr Carr: I am pleased to table a petition signed by the residents of Ontario which reads as follows:

"To the Legislative Assembly of Ontario:

"Whereas the chronic fatigue immune dysfunction syndrome, Myalgic Encephalomyelitis is a chronic, debilitating disease currently affecting over two million adults and children in North America; and

"Whereas diagnosis is difficult and the direct costs to our health care system are enormous; there is a drain on the social services; and tax revenues are severely affected because affected people cannot work;

"We, the undersigned, respectfully petition the Legislative Assembly of Ontario to support the establishment of a task force to study the most appropriate method of establishing an information centre and clinic to provide both information and care to persons with"—this disease—"Their families, physicians, educators and others.

REPORTS BY COMMITTEES

STANDING COMMITTEE ON GOVERNMENT AGENCIES

Mr Runciman from the standing committee on government agencies presented the committee's 13th report.

The Speaker: Pursuant to standing order 104(g)(14), the report is deemed to be adopted by the House.

INTRODUCTION OF BILLS

PROVINCIAL BUDGET AND FISCAL POLICIES REFERENDUM ACT, 1991

LOI DE 1991 SUR LES RÉFÉRENDUMS CONCERNANT LES POLITIQUES FISCALES ET LES BUDGETS PROVINCIAUX

Mr Harris moved first reading of Bill 138, An Act to authorize Municipalities to obtain the Opinions of Electors respecting Provincial Budgets and Fiscal Policies.

M. Harris propose la première lecture du projet de loi 138, Loi autorisant les municipalités à obtenir l'avis des électeurs concernant les politiques fiscales et les budgets provinciaux.

The Speaker: Is it the pleasure of the House that the motion carry?

All those in favour will please say "aye."

All those opposed will please say "nay."

In my opinion, the ayes have it.

Motion agreed to.

La motion est adoptée.

Mr Harris: This bill would authorize a municipality to hold a referendum on provincial budgets and fiscal policies. I think it is no secret that municipalities are greatly distressed by the overlapping responsibilities. Disentanglement is the key word of municipal associations and provincial governments.

Municipal electors could be asked whether they agree that the provincial government should be required either to balance its budget at least once in every three fiscal years or, if it fails to do so, to call a general election or seek approval in a province-wide referendum to spend this money that it does not have.

I believe the bill is an important one. If it were passed quickly it would allow municipalities in this election to be able to put this question on the ballot, and I would encourage the government to pick up on this and facilitate second and third reading as quickly as possible. If there is unanimous consent, I move that we move to second reading today, Mr Speaker.

The Speaker: Is there unanimous consent? No.

1520

ORDERS OF THE DAY

INCOME TAX AMENDMENT ACT, 1991

LOI DE 1991 MODIFIANT LA LOI DE L'IMPÔT SUR LE REVENU

Resuming the adjourned debate on the motion for second reading of Bill 83, An Act to amend the Income Tax Act.

Reprise du débat ajourné sur la motion visant la deuxième lecture du projet de loi 83, Loi portant modification de la Loi de l'impôt sur le revenu.

Mr Cousens: I thank the House for its attention yesterday and also the number of people who were watching it on their home channels to realize some of the dialogue that would go on within this House.

A number of points have been made to me since then to make sure that I reinforce them. I think one of the points is that when this government enacts another tax bill, it is another occasion when the public is saying: "It's hurting so much. We can't give any more. What are we going to do?"

The fact is that there is a whole reaction beginning to form by society at large out of anger and frustration at the very large taxes they are having to pay now. The kind of thing that is happening is that we are going to see and will continue to see a reduction in the amount of money that people give to charities and to worthwhile events in their own communities.

I have had a number of people talk to me today and say, "I'm ending up now paying so much in taxes that from my disposable income, the money that's left over, where I once made a contribution that was of a significant nature to different health causes, cancer, kidney foundation and other health areas, to the United Way, I do not have the resources left over to make the kind of contribution I used to." So

they are cutting back on the public services that once took a certain share of their income.

I think what has happened here is that this government, along with the previous Liberal government under David Peterson, is turning people off. It is turning them off so that instead of wanting to contribute to their community and to make some kind of extra effort, they are saying: "Look, I am being bled to death through my taxes. I have so little blood left in the veins, I'm not going to come along and give what's left over elsewhere."

That disposable dollar is being reduced and reduced, with inflation taking a certain percentage of it, with the cost of living and everything else that is coming in. It seems that those who make more and more get less and less because more and more is taken away by the government.

The kinds of dollars that this amounts to some people say is peanuts. It is not, because you are not only taking away from them the money in their earnings and their income, but also their incentive to want to go out and make more and do better. There is a point—I am not sure when that happens but there is a point—at which you say: "Why do I continue to work so hard for the government? Why am I not working harder for myself?"

What ends up happening is that we are getting a kind of underworld current here where people are trading things on the side. There is a form of commodity trading where instead of having to pay taxes they will provide services to other people for cash and it will be under the table. It is another form of breaking the law, but because the taxes are so high, they are almost being encouraged to break the law.

We have lost sight of the reason why people came to this new country in the first place. They came to this country for freedom. They came to establish a new, fresh life out of the control and bounds and limitations that under a feudal system or under a government that was not giving them a chance to prosper.

What they have come into now is a province that is moving into every area of human life and taking away that incentive and that freedom that people came here for in the first place. A fundamental breakdown in society is happening because we here in government are allowing it to happen. It seems as if people take it for granted.

I have to say that under the leadership of the member for Nipissing our caucus and our party will continue to be vigilant and will speak out on the whole issue of taxation. It is not something we take as just a necessary thing we have to do in the Legislature. We believe there should be the kind of fiscal leadership and responsibility in government and the kind of leadership that is going to say, "No, we can't spend more money on it because we are going to have raise more taxes to do it, and we can't continue to build a bigger debt." It is high time that this government and all governments understood the importance of having that kind of fiscal responsibility.

The public at large, if they have not lost confidence in this House, are continuing to lose it for all of us. We must begin to start today. Here on this bill would be as good an example as any, Bill 83, where the government would say, "All right, let's find a way of restricting our spending,

reducing our spending, reducing the deficit, putting our house in order.”

It is a problem when people pay so much out for taxes that they do not have enough left over to protect themselves from future disaster or the kind of recession we are in now. What is happening is that most people are living within one or two paycheques from bankruptcy. The more you make does not mean the more you save, or the more you make, the more you are able to put on to your home and your recreation and other things. It is surprising how many people who are in the category for taxes that this bill will affect, who are making in excess of \$84,000 a year, are very controlled in their spending because the commitments they already have for the dollars they are making worry them. Their disposable income is reducing constantly. This is another example where they will have less disposable income to do other things.

One of the things that will suffer in our society is certainly the charities and those needful agencies that are looking for contributions from private citizens. What we are seeing with the social democratic agenda is that the government will take over everything. The government will run all things. So those people who once had some disposable income are now going to hold on to it. They are turning off the funnel. There will not be the kind of money for the United Way and for those services that there should be. One of the reasons is their lack of confidence in the future. They are saying, “Well, the government is already taking so much that there isn’t enough left over for us to really make the kind of contribution we want to make.”

As business continues to suffer, as people continue to suffer, what do we see? A government whose tax policy is almost forcing more suffering upon them.

It is not easy times. I had several people react to the ignorant comments from this House when I talked about a home—it was ignorant. When we started talking about people whose homes are \$500,000 and \$600,000 and who are having trouble paying for it, people in this House said, “Oh, yes,” and there was a chuckle across the floor. That is not something to laugh at. There are people in my community and in many communities who have an expensive home, are working hard in order to pay for it, to pay it down. It is their biggest investment most of the time, and here what we are doing is almost making fun of that kind of investment they have. The problem they have is that when they lose their jobs and they are out of business, who is there to help them? There is no program that comes along and helps subsidize them for the kind of commitments they had when they were making big money. Then they end up having to sell their homes. They have to change their lifestyles. They have to do a number of things.

What are they going to do right now? When they see the government continuing to sap the strength, to sap the money, to drain it off from them, they are going to hold on to more and more of it for the rainy day. If you go and do an assessment of those people who have been spending money in our society, it is a very small number who have the large dollars. Those who are making between \$80,000 and \$120,000 are people who are really hustling to make it happen. They are working 60- and 70-hour weeks. They are

not people who are just coming along and winning a lottery. Their lottery comes through the effort of their hard work.

What this government wants to do is put them down so that everyone is at the same common, low denominator, and that is not for the future of our country. We should have the opportunity for everybody to make big dollars and then be able to spend those dollars or save those dollars, but not to make the dollars and have them taken away from them by the government. It is like Sweden was. Sweden has woken up and is going back to another system now. They are moving to free enterprise. We are moving right into socialism. Do not make fun of it. I see it as a serious problem.

Europe is coming along and changing in a way. They are moving to democratic systems. They are coming to a system of free enterprise. We are moving into socialism the same way eastern Europe is trying to move out of it. So we are swinging one way; they are swinging the other. This government will swing at the end of a rope in four years.

1530

Interjections.

Mr Cousens: Mr Speaker, I have their attention, anyway. It is hard to get them to wake up; it is just terrible. It is probably feeding time for the NDP.

As we look at the number of taxes that have been levied in this province in the last five or six years—

Interjection.

Mr Cousens: The honourable member will have a chance to talk, an opportunity to speak in the House when it is time.

Interjection.

Mr Cousens: I do not remember interrupting him. There has been nothing worth interrupting.

Interjection.

The Acting Speaker (Mr Farnan): The member will find that if he keeps—

Mr Cousens: Mr Speaker, I appreciate your intervention here.

Interjection.

Mr Cousens: I would like to see a better climate in the House. I would like to see a better climate in the province. We would have a better climate if the dippers did not keep dipping in our pockets and taking our money away from us. Included in the measures that are in this 1991 budget, we see once again the Ontario taxpayers are having their taxes increased. Since 1985 when the New Democrats and the Liberals formed their coalition and their alliance, in six years we have seen some 40 increases in taxes. Now, as a consequence of this government’s action, we are seeing that they will collect \$18.6 billion more in taxes than they did in 1984-85. Since 1984-85 there has been an increase of 123.6% in the taxes that are collected by the province.

Interjection.

Mr Cousens: Because the honourable member interrupted, I will repeat it again so that he will hear: 123.6% increase in taxes since 1984-85, \$18.6 billion. I do not know how high a billion dollars would be if it were 10-dollar bills, but it is a huge amount of money. The government

will collect \$9.7 billion, or 155.5% more in personal income taxes. That is nearly 80% or \$3.5 billion more in retail taxes, 66% more in gasoline taxes and 223.7% more in land transfer taxes than it collected in 1984-85.

In the current fiscal year, tax revenues account for 78.1% of the total revenues and represent the equivalent of 11.9% of the province's gross domestic product. In 1984-85, the comparable ratios were 62.9% and 8.8% respectively.

We are just seeing a dramatic increase in the cost of life and living here in the province, but I have to face up to, and we are all facing up to, what this government is doing: forcing a fiscal recovery within this province further off as the New Democratic government relies more on deficit financing for the remainder of its mandate.

Interjection.

Mr Cousens: I am going to come to that. I appreciate the member for Durham asking about what the deficit is, because that is the next element I would like to address in my presentation today.

Interjection.

Mr Cousens: Do I have the floor, Mr Speaker?

The Acting Speaker: Yes, I request that the member for Parkdale and the member for Guelph desist from the interjections across the floor and allow the member the opportunity to present his views to the House.

Mr Ruprecht: Mr Speaker, on a point of order: All I was really saying was that the member was right when he mentioned that the cost of living was increasing, then I heard some interjections from across the government side, and consequently I simply said he was correct. I certainly agree with him.

The Acting Speaker: The member for Parkdale is out of order. Certainly I think he will add to the tone of this House if he co-operates and allows the member the floor.

Mr Cousens: Mr Speaker, I would like to compliment the member for Parkdale for following the debate so closely and thank him for his support on that one point. That is much appreciated.

The dipper government's, I mean the New Democratic government's midterm fiscal plan shows that in addition to this year's \$9.7-billion deficit, Ontario's smiling socialists will add another \$25.1 billion to the province's accumulated deficit from 1992-93 to 1994-95. The New Democratic government will then effectively push the province's accumulated deficit, which stands at an estimated \$44.5 billion in this current fiscal year, to a total of about \$70 billion in 1994-95.

When measured in relation to the accumulated deficit in 1990-91 of \$34.8 billion, the midterm fiscal plan indicates that the New Democrats will effectively run up as much new debt in four years as had been accumulated by all previous governments in Ontario. Their policies will ensure that by the end of their mandate the province's deficit, its gross domestic product ratio, will be worse than that of the federal government's, at least when measured on the 1991-92 budget projections of both governments.

Ontario's debt service charges will also rise as a percentage of provincial revenues as New Democratic policies

begin to erode the bottom line. Over the midterm forecast, debt service costs will continue to increase. By 1994-95, the debt service cost will account for 12.3% of the total revenues coming into this province. In other words, 12% of every dollar that comes into this province will be feeding the debt.

At the federal level over the same period, public debt charges measured in relation to federal revenues will drop from 33% of revenues this year to a projected 26.5% in 1994-95. There is a recognition on the part of just about everyone except the New Democrats that the deficit has to be fought and that you do not live by continuing to live beyond your means; you control your costs and put a lid on it.

Interjection.

Mr Cousens: The member said, "How do you do it?" I am glad I was asked. You say no more often. You say no to people who come along and ask for money. When I have had people in my riding office on a more recent basis, I do not say—

Interjection.

Mr Cousens: Get off that stuff. When they come along and say Markham needs stuff—if we are going to be a growing, dynamic community we will need our roads, our hospital, and our services, and any growing community deserves that. We as a province want to fuel that kind of growth because there is a pile of money made in our taxes through the new housing and the new growth. You do not come along and just expect them to be there and not provide those services.

This is just a one-sided, blinded view that some people have. The tragedy is that this is the experiment that failed. The experiment that has failed in Ontario is the New Democratic government. On September 6 last year people thought, "We're a little disappointed in David Peterson," and they had reason to be, because they looked at Patti Starr, they looked at the way they raised the taxes so many times, they looked at the giving away of Senate seats in Ottawa, they looked at a number of issues, they looked at their credibility and at the reason for calling the election, so the election on September 6 had something to do with 38% of the province, not 50% but 38% of the province saying, "Let's give a message to the Liberal Party and allow the New Democrats a chance." They had no idea that those guys would take this thing over and that they would be doing the kind of damage they are doing right now.

1540

The Acting Speaker: The member for Markham will take his seat, please. Basically we are discussing Bill 83. I request that the member for Markham address the issue before the House. I think he will serve the House well by doing so. Thank you.

Mr Cousens: Without income taxes you cannot pay for all these programs and, because the government continues to add all these programs, this Bill 83 is just another way for this government to get its money. They are taking the money out of the pockets of those they call the rich people in Ontario. They are discouraging those people who are out there working hard to try to make a dollar and, because more and more money is coming out of their pockets and

going into the coffers of this government, being abused, misused and misappropriated, they are ending up having a very serious problem. I am talking about that and it is a part of the problem; 38% of the people of this province gave this government the chance to do what they wanted. It is an experiment that is failing and we are all going down the drain with it.

The Treasurer blamed his deficit woes on federal policies and in particular on the transfer payments he says he did not receive from the federal government, and he indicates they cost a total of \$3.6 billion in 1991-92. However, the Treasurer does not mention two points: Other provinces have had to live with the same changes in federal policies and have not tripled their deficits. This Treasurer, unlike other finance ministers in the country, has done nothing whatsoever to restrain his spending.

At this point I would like to comment on the restraint of spending. I went through these books which are the Ontario budget for 1991—

Mr Fletcher: Have you read it yet?

Mr Cousens: I have read it. Has the member read it? Does he understand it? He probably does not know how to add up the figures because they are all in the red. We are just going further and further in the red and the member probably does not like to read the ones that are in the black and maybe—no, I will not get nasty. I was about to say something very rude and that would not be becoming to either of us.

The problem we have is that in this budget document restraint is not mentioned. Yesterday when the Minister of Health was here heckling me she was saying, "Oh, yes, there's restraint." There is not. There is not any effort by this government in this budget to show restraint. It has become the new R-word they learned about at the Delawana Inn, but it is not something they have included in their thinking over the next three or four years, and that is a problem. Everyone else in this province is having to live under restraint because there is only so much money coming in, and what is left over they are having to give to the government under Bill 83. That kind of action by the government is costing people just too, too much.

I would like to comment on the problem with taxes. It happens to have one of the newspapers in my riding, and it is really one of the better newspapers, I have to say. Members are not going to believe what it is called—

Mr Hope: Is it recycled?

Mr Cousens: Oh, it is recycled. It is the Richmond Hill Liberal or the Thornhill Liberal. In spite of the name, it is a paper that hits the nail on the head very, very often and the editorial in last week's paper says, "Let The Tax Revolt Begin." Marney Beck, the editor of the paper, goes on to say: "The tax revolt is finding its way to York region. Some people at a recent meeting suggested that they would withhold a portion of their taxes in protest."

Woe to them to try to withhold it from the province. You try to hold back a tax to the Minister of Revenue, who is not here at this time but has been sitting in here most of the time—

Mr Johnson: She is right here.

Mr Cousens: That is good; I just did not see her. She is usually sitting in her seat. The fact of the matter is that you come along and try to skip a payment to the Minister of Revenue and they just send in the army after you. If you do not pay your taxes to the province, you do not have any choice; they will take your business and your house and garnishee your wages. They will do anything to take the money out of you. You talk about retailers or business people who are a little behind in their provincial sales tax; this group is right on and it is hungry for the money. If people come along and say, "Let's have a tax revolt," they are not going to revolt against the province because we have so much armour out there that there is no way they can fight back. But the poor people are going to come along and say: "We've had enough. We're going to start withholding our taxes at the municipal level." The editor says on the tax revolt: "This is unlikely to get the GST repealed," and that is for sure.

I am not in love with the GST. It would be nice if this province were working with the federal government on having one common sales tax that would somehow work between the two, instead of having—

Interjection.

Mr Cousens: Oh, come on. It is just painful for anyone who is running a business these days. They are collecting tax for the provincial government and the federal government. They make a mistake and get both of them coming in upon them. How can they possibly go out and make a dollar and do business? There is nothing wrong with making a profit and holding on to some of that profit, but those guys and governments all over want to take it from them. How can they succeed?

She goes on to say, "It is unlikely to get the GST repealed or to persuade the Ontario government to rethink its high-deficit policy, but it will attract the attention of local government and that is a good place to start."

People are going to start taking it out on local government to see what they can do to reduce the costs of providing municipal services. A tax revolt has begun. I and our caucus are in a tax revolt. We will do everything we can to fight the Treasurer and this government as they continue to hike taxes, to raise taxes. We will fight them. As long as they are going to be as irresponsible in what they are doing with our money and increasing it as much as they are, then someone has to stand up and make sure they get the lesson.

I have a feeling, Mr Speaker, that not you, but those other honourable members in this House have not really a true regard for the impact these taxes are having on our society as a whole.

Mr Hope: I see you stand alone in your field.

Mr Cousens: Some people say I stand alone in my field. I will be quite prepared to stand alone on this. I am very fortunate that there are at least 19 others who were elected on September 6 who are in the Conservative caucus and each one of them strongly believes in the kind of principle I am talking about today, and that is fiscal responsibility.

If the people of Ontario had a chance to take a government to task for its dishonesty and its irresponsibility, if there were some way in which we could have the public

have a vote on a referendum basis on some of the issues that it is into, I will tell members that the public would not support it. The 38% that voted for the government last September 6 would not be voting for this tax bill today. They would not. The 38% that voted for the New Democrats on September 6 would be coming along and saying, "We disagree."

Oh, they will get some of the true orange and free who will support their policies, and that is fine. That is the freedom in a democracy and I do not take that away from any human being. I think that is part and parcel of a free country. But the fact is that the 38% that voted for the New Democrats across the province would not be voting for the kind of fiscal irresponsibility that is implicit to this budget, and that is a fact.

I have a number of points that I would like to follow on further and a number of issues that I would like to raise as they pertain to what this government is doing and what it is not doing. I know there is going to be another day on which I will have an opportunity to talk to it. There are at least four other tax bills that are coming forward and I hope to be able to speak on each one of those so that the views from the riding of Markham can be heard and the people who are represented, at least by the PC caucus, will have a chance to put on the record some of their concerns.

I truly believe that Bill 83 is an example of the irresponsible collection of more taxes by the government of the Premier. I believe that in taking this money away from the people who are earning it right now in the province, it is taking away, certainly, some of the disposable income they would spend on other services. It is also taking away some of the confidence they had in the province.

I see this province as one that is in trouble right now, very serious financial, economic trouble, not just because of a recession that has hit Canada and North America and English-speaking countries; we are in a problem because of the failure of leadership of the Premier and his social democratic government. I see this government as one that is digging a bigger and bigger hole for the people of Ontario. I see business backing off and moving away. I see investment funds from Ontario putting their money elsewhere where it is not going to be in jeopardy, as it will be in Ontario with this government in charge. I see people saying: "Why spend money in Ontario? We'll go across the border and spend it because we can get more value for our dollar there."

I see a government that is digging a bigger hole for us by virtue of its high deficit, a deficit that will be, at the end of its term, double the size it was before. I see a government that is now in a position, if it had integrity and honesty and self-respect, to review its fiscal policy and come back and say: "We've made a mistake and we're in a position now to review the kinds of decisions we were going to make. Let's start showing restraint. Let's start showing some way of living within our means. Let's start setting an example."

1550

There is still time to do it. If members of this House have been listening, there is indeed a chance that members of the New Democratic government will vote against—yes, vote against—Bill 83 and allow this bill to go back to the Ministry of Treasury and Economics and let them rethink

their financial plans for Ontario. If the government members do not do it, our votes are not enough to make it happen. I know the member for Dufferin-Peel and I will be here and there will be many others who will come into this House to vote against this bill.

I do not know how the Liberals will vote. The Liberals voted for so many tax increases when they were in power that they will probably come along and say, "We were used to it then, so we're used to it now." I have no idea where the Liberals will be today. They have had quite a conversion from the days in which they were in government. Now they are coming along and knocking all these tax increases. But they will make up their own minds. They have their own way of deciding these things, and whatever they do is their decision.

I can tell members this much. Our caucus is opposed to Bill 83. We are opposed to tax increases. The people of Ontario have had enough. Why does the government not wake up and understand that?

The Acting Speaker: I suspect the member for Markham may have generated some questions and comments. The member for Chatham-Kent.

Mr Hope: Thank you, Mr Speaker, and congratulations on your new place. You look great up there, as a matter of fact. I guess I have to go through you, but unfortunately—you are well familiarized with what I am going to talk about. In two minutes it is going to be pretty hard to put some points of view and perspective. But the honourable member made a few suggestions about the financial structures of other provinces, that we are still behind on a financial structure and that we should change so that it makes us look as good as those other provinces that say they do not work on a deficit basis.

The other party made a comment which is a major part of the GST fight I was part of. The people who are working in factories and in small businesses make probably about \$30,000 or \$40,000 if they are lucky. When you look at that and try to distribute that kind of money over buying things—for instance, when we face the GST now, they are adding an extra 7% that is taxing their income. When you talk about \$84,000, if I only make \$30,000 and spend \$25,000 of it back into the economy—most of us who worked in factories and elsewhere were lucky if we had savings accounts. Where the tax is focusing, and where his focus is being misled—I will straighten that one out; is being improperly put—is that people over \$84,000 are paying a little extra. That is a single person making \$84,000. If you are married and you get dual income, you go through the system, and if you make, probably, \$130,000 or \$140,000, you are going to pay a little more.

The people we have to focus on during this debate are the working people who are generating every weekly paycheck into the economy. That is who we have to help. They are the ones who stimulate the jobs. I think it is important that when we look at the bill, we look at the context of the bill and make sure that we go in the right direction to help working people who stimulate this economy, the people who work in the \$30,000 and the \$40,000 and less jobs a year.

Mr Conway: I have had the pleasure of listening to, I think, the entire address of our friend the member for Markham. What does one say? My first reaction is that if it looks like R. B. Bennett and sounds like R. B. Bennett, that it must be an unvarnished, unrepentant old high Tory. That is of course a position that is available in the political spectrum. I have some considerable regard for the intellectual capacities of my friend, the former Presbyterian cleric and proud son of Vankleek Hill in my part of the province.

But to hear some of what he has to say and to listen, to really think about what it would suggest, is to take me back to one of these tax revolt meetings of not too many weeks ago when a similar old Tory gets up, and having apparently passionately advocated for the building of the opera house here in Toronto, notwithstanding current financial difficulties, is the first man none the less to go out and have at the social safety net that is so central to so many people who are either out of work or on the verge of losing their jobs.

He is quite legitimate in the criticism of any government around. I have the advantage of a few more years in this place than he does, and I have said before that were few people for whom I had a higher regard than W. Darcy McKeough, the former member for Kent West and the long-time Conservative Treasurer of Ontario. But in my first year here, 16 years ago, in what were by today's standards halcyon days, the Tory government of Bill Davis, under the able financial leadership of Darcy McKeough, brought in a budgetary deficit of \$2 billion on an expenditure plan of some \$12 billion to \$14 billion.

I know he was not a member of this assembly then, but the member would do well, in the interest of an honest debate, to reflect upon those salad times when 16 years ago Darcy McKeough was forced to present, for whatever reason—I am sure it had nothing to do with the election of 1975—a budgetary deficit of \$2 billion on an expenditure plan of not \$50 billion, but, then, \$12 billion.

Mr Tilson: I have a question to the member for Markham. Certainly, looking at the members on the other side of the House, I do not think there are too many members who were around for the last government. They all look to be newly elected people.

Mr Hope: Doesn't mean we don't know what's going on.

Mr Tilson: There may be an exception, and I stand to be corrected, but basically they are all newly elected people. I would like the member for Markham, in his experience, who has watched the Liberals make a farce of our system in Ontario—I think he is now seeing a new government that was supposed to be a new government, that was supposed to be a dawning of a new era—

Mr Hope: A Rae of hope.

Hon Mr North: A Rae of hope.

Mr Tilson: A Rae of hope; whatever words members want to use. But this was genuine, what was put forward by this NDP party during the last election, that it was going to solve all our problems, that it was going to create new economic prosperity. There would be economic prosperity of days gone by. My question to that is, having seen this government and the actions it has been performing,

whether or not the member for Markham, as an experienced member of this House, feels this government is performing up to its promises.

Mr Mammoliti: I could be wrong, and if I am please tell me so, Mr Speaker, but I heard the member say, "NDP party." I am sick and tired of hearing the Conservatives say, "NDP party." Let me spell it out. NDP: New Democratic Party. It is not New Democratic Party party. I hope that in the future the individuals sitting across from me will learn that NDP stands for New Democratic Party; it is not "NDP party." I will close by saying thank you very much for listening to me, Mr Speaker. The pleasure is always mine, but in his statements, the member will please be right.

Mr Cousens: I apologize. I would not want to call the dippers anything other than the New Democratic Party. If I have offended the member by doing that, that shows improper use of the term, so I will work at that. I am pleased to be brought up on that one.

The member for Dufferin-Peel: Where does one begin in describing where the Liberals went astray? I think they really had a chance during the halcyon days of the mid-1980s to bring this province into the future. They brought a number of social programs we could all support, but their way of spending money at great abandon has led this government into a way in which it has had to continue those programs.

By the way, when the government came along with its close to \$10-billion deficit, it did not even give credit to the Liberals for giving it, because so many of those programs that led to the kind of deficit it has got were initiated by David Peterson. It did not have the nerve or the knowledge or the kind of backbone that would say, "Hey, let's change some of those policies."

But I appreciate the comments of the member for Renfrew North. I happen to respect very greatly his expertise and his understanding in the House. Philosophically, we are very much on a different part of the pendulum, but that does not take away the fact that there is a real depth of appreciation for what he has to offer sometimes.

I would just like to say to the member for Chatham-Kent that when he talks about stimulating work, there is no doubt that those who are making \$30,000 to \$40,000 or less—some are making far less—are indeed much of the machinery of what it takes to have the province run effectively. Never do we ever want to see anyone not appreciate the kind of contribution they make. The other part of the equation, though, is the capital that it takes to invest in jobs and businesses and machinery to make it go. You need the people to make it go, but you need the capital to make it come together. Those two things, when they come together, make for prosperity.

1600

Mr Johnson: It is a pleasure for me to rise in the House today and support Bill 83. I think it is a bill that is important, it is a bill that is necessary and it is a bill that I am sure all my colleagues on this side of the House will support as well.

I must say, truly I listened with pleasure to the member for Renfrew North yesterday. He is a fluently articulate member of the Legislature and very knowledgeable about

the history of the House, at least for the last 16 years. But I would just like to remind him that certainly it was in the last five years that there was a 5% increase on the Ontario surtax on the federal portion and that 5% increase was one that was initiated by his government.

I also find it interesting, I might add, that he does not embrace Keynesian economics, but in part I see that while they were in power they had an opportunity to do some saving and maybe did not do that as well as they could, and certainly they did make some tax increases.

I had an opportunity yesterday as well to listen to the member for Carleton, who unfortunately is not here today, and I found it interesting to hear him talk about the need or the supposed need for companies to move to the United States and in fact for people to want to move to the United States because of the tax system we have here in this province. I would like to remind him, in his absence, that there are many other taxes that are levied in the United States that are not similarly levied here in Ontario. There are city taxes, there are taxes in municipalities, there are road taxes. They put up toll bridges on highways in order to collect taxes. We do not have toll bridges in Ontario, nor do our cities levy their own sales tax in Ontario.

I listened as well to the member for Markham, who is no longer here, who wanted to say that this was a horrible tax increase. Certainly people have opinions that they express in the House, and I think it is important that they express their opinions, but their opinions are not always correct. I would like to point out that error in the member for Markham. In fact, he talks about this grave tax increase, Bill 83, and the actual increase is one quarter of 1%. That is a nominal, almost insignificant tax increase, and what that in fact does is increase, as other members have said, tax on those single individuals who make more than \$84,000 a year, and as has been mentioned earlier, those who are married and have more dependants can make more before this will affect them.

Might I add that \$84,000, in my opinion, is a significant income. The average income in the province is far less than that, and in fact only 3% of the taxpayers will be affected.

What is going to happen with this? We have given a break to the people at the bottom end of the spectrum, and a portion of these revenues collected in this new tax will help those people. It will increase the moneys to dependants, from \$200 to \$350, of those people who are needy at the bottom end of the spectrum.

It was mentioned that as many as 700,000 low-income taxpayers would benefit from this. I would suggest, because of the difficult times we are having with the economy right now, that may even be more now.

We listened to the member for Markham say we have to learn to say no. "We've got to learn to say no," he says. Who do you say no to? I would ask him. Do you say no to hospitals? Do you say no to—

An hon member: Schools.

Mr Johnson: —to schools, as my colleague says? Do you say no to people in—

Interjection.

Mr Johnson: I also heard the member for Markham say that it is really unfortunate when corporations close down and 800 people in the community lose their jobs because corporations have moved to the United States. I agree. That is most unfortunate, very unfortunate, and I have every sympathy for those people who have lost their jobs, but on the other hand he says that it would be good for the government to take away government jobs. He says it is bad when private corporations move and people lose their jobs. He says that is bad and we should be doing something about it. We should be taking some money that we raise through taxes and we should be applying it to help these people, but on the other hand he says the government has to say no. Who do we say no to?

I heard him say that in other provinces they have rolled back the numbers of government employees. The people of Ontario want more service, and truly the people of Ontario are concerned about taxes, so we have a Fair Tax Commission that presently is looking into this system of taxation.

I just want to say, because there might be a chance that the errors of the commentary of the member for Markham might be believed by members of the public watching to be the truth, that in fact Bill 83 only increases taxes by one quarter of 1%, and I want to say one more time that is only on single people who make more than \$84,000.

I rise to support this bill. I think it is a very important bill. It takes some money from the people at the top of our income scale and redistributes it, something that I think we as members of the New Democratic Party have advocated. It is a very small way, but it is certainly a step in the right direction, and so I wholeheartedly support this bill.

Mr Conway: The member has made a very valid point about to whom does any government say no, not just this government. That is very difficult, particularly in straitened economic times like those in which we now find ourselves. But I suspect over the course of the next few weeks all members of this assembly, but most especially the government members, are going to have to go home to Lincoln and Brantford and Niagara-on-the-Lake and a lot of other wonderful places and stare constituents in the face and say, "Well, we promised, we had hoped to do things with respect to the college system."

To hear Richard Johnston this morning on radio was, to me, just breathtaking. I hope my friend Richard Johnston, for whom I have the highest regard, is up to the miserable task he now has to perform.

Paddy Musson must be out there at some NDP action committee right now in London in overdrive and apoplexy. No wonder the Minister of Labour does not want to answer that question. I tell members, the Minister of Education will need danger pay to go home to face Paddy Musson in full flight over what this government has of necessity now to do to the college system.

Of course, they have made an agreement with the doctors, an incredible agreement, a good agreement, perhaps, to get peace in our time, but it is six years and apparently it is on the shelf and it cannot be touched. But they are already facing farmers and they are about to face Paddy Musson and the college teachers and a variety of other people for whom the news is not going to be good.

I will say just in conclusion, and here I am being a bit spiteful, I found it fascinating today to hear the Treasurer say that one of the things that is driving the expenditure line of the government is the teacher pension situation. A part of me, the spiteful, vindictive part of me, almost wishes, in a figurative sense, that the NDP drowns in the teacher pension politics in which it has engaged over the last 18 months.

Mr Tilson: A brief question to my friend. In defence of the member for Markham, I think what he is saying is simply that they cannot continue spending their way out of the recession. Obviously, at one point during the budget, that was their philosophy, and now we hear the Treasurer and the Premier saying: "Maybe we should take a different look at it. The recession is a little bit more serious."

It is no different than it was back then. It is no different than when this Bill 83 was first introduced. We are simply saying, "Hold the line."

Obviously, now the Treasurer is simply saying, "There are several millions that may have to be looked at." He is not being very specific. I am sure in due course he will introduce a statement that will tell us exactly what he is going to cut, but I think there is a lot of fear out there about exactly what the Treasurer is going to cut. He probably has not even told the member yet, but he will. I think there is a lot of fear.

On the subject of pay equity alone, which of course was introduced by the Liberals, we are now being told that the civil service is going to triple in size and that the cost of pay equity and the cost of bringing other crown corporations and others into the civil service is going to be astounding.

If the government does not start cutting, it is going to bankrupt this province. My question to the member is, does he think that this province and the taxpayers of this province are a bottomless pit?

1610

Mr Hope: A few comments have been made and I think it has been well illustrated on what percentage of people will be affected by the increase, and the comments were made, who do you say no to? The member for Renfrew North says that people will be going back and facing the farmers. I am one of those individuals who is out there trying to help our farming community regain itself. This is not the recession. Everybody looks at it as if this started September 6, 1990. I remember talking to a lot of the farmers in my community. This is something that has been going on since 1981. This is not something new.

Who do you say no to and how do you put fiscal management back in? The percentage increase may be just a reflection of balancing the system out, because I know for a fact the majority of the taxation has always hit the working- and lower-class people of society. We have kept them lower. We used to have a low- middle- and high-income status. We now have low and high and those are the only categories we have. So it is important that through the tax, and I think the member has illustrated it right—what do we do? Do we start holding referendum balloting on paying for roads or paying for the schools or paying for the sewage treatment, paying for the luxuries we have?

Yes, we have to make some financial changes, but I am sure the Treasurer in his capability as he stands tall in his seat where he sits—I think it is very important that he is illustrating that fiscal management can come without knee-jerk reaction to situations. We have only been in for a year. Time will prove itself, and I am sure the general public, when the next election is called, will make all judgement calls in that nature. I think it important that we put a balance back in the system of helping people out in trying to put an equal system back in place.

Mr Mammoliti: I wish to share a little story with the members. It goes back to the 1990 campaign. I knocked on a few doors, actually, on the same street and asked: "What should we do in reference to tax hikes? Where do you want to see them?" Door to door, it was consistent. They want to see the people making the bucks pay a little more. Frankly, I cannot see anything wrong with that. I tend to agree with all of those people where I knocked on doors and asked for their advice.

I would like to go around with some of my colleagues across the floor when they are canvassing and perhaps talk with the average home owner, the average individual who does not make \$84,000 a year, and ask him in the presence of my colleagues across the floor, "What do you think?" and see whether or not these individuals would take the same stance at that door. Something tells me that they would not and that here they say one thing and perhaps in front of their constituents they say another.

I would like to do that. Perhaps one of them can invite me to canvass with him during his next campaign, or even perhaps next summer or at Christmas time. Let's do it at Christmas time and see how much money the average person has to spend and where he wants these tax increases. I will bet the members that they will tell him that they want the increases in the higher-level-income homes.

I cannot see the debate here. I really cannot. Frankly I suggest we stop debate. I do not know. Perhaps I am wrong, but frankly they should please listen to what we are saying for a change.

Mr Johnson: I do not have to tell everyone in this House the economy is in a difficult situation. That is blatantly obvious. The fiscal responsibility this government has to manage is certainly a very big and very serious problem. Maybe it is not a problem, but it certainly is something we have to do in a way that is meaningful and in a way that the people of Ontario want.

I answer to the member for Dufferin-Peel that no, we do not have a bottomless pit. It is certainly finite; it is certainly limited. What we have to do is balance, and it is a very difficult balancing act, as I am sure he is most aware. Where we collect taxes and make expenditures, we have to make sure we collect enough to make enough. If we make the cuts—I do not have to tell the member the story, I am quite sure, as he knows it so well.

I think not having a bottomless pit certainly means we have to be prudent when we deal with the overall fiscal management of the province. When we look at the revenues we want to bring into the province, the very small tax increases we want to make, I do not think they are unreasonable. I

think the majority of the people in the province see them as small tax increases, and for the most part not unreasonable. People in the province want their services. They do not want things to be taken away. In fact, if they want anything, they want to see improvements.

I think what is important for this government is to make sure that what we do is maybe something that was not done as well in the past as it could have been, and that is to have a very efficient, effective government in dealing with the fiscal matters of the province. This government has the ability to do that. I think in time the member, my other colleagues and the people of Ontario will see that is so.

Mr Bradley: I welcome very much the opportunity to speak very briefly on this particular piece of legislation because I have many things I want to say about some of the other bills that are coming before the Legislature. This is one of a series of revenue bills which we will be confronting as members of the opposition and members of the government. They are bills of some significance because they are bills which are bringing in a series of tax increases at a time when the people of this province and the people of this country and of our various municipalities are indicating clearly that they have had it with taxes, that they believe they have a lot of services out there now that are costing them a lot of money and that they would like to pause and see if there is not a way of doing things more efficiently in Ontario.

I did not think I was going to have much time to debate this bill because frankly I thought I would be spending some time debating the bill on the government automobile insurance plan. I kept hearing all summer that a plan would be introduced and that legislation was forthcoming.

I recall my friend and colleague the member for Welland-Thorold being very enthusiastic about this in opposition. I recall his filibuster of some 17 hours of expended time. That is not easy. Some people, particularly when in government, tend to be critical of that and say it is a nuisance and so on, but nevertheless he expended a good deal of time on an issue he obviously felt very strongly about. Of course, he is probably, as I am, waiting for that bill. He will have lots of time, as I do, to speak on this particular bill, because we will not be dealing with the car insurance legislation, since the Premier has decided to renege on the most important promise, I thought, or at least a central promise. I do not want to exaggerate. I think it is a central promise. Whenever I thought of the NDP, one of the things I thought was that it stood for government insurance.

1620

Mr Fletcher: Honesty, what's best for the people.

Mr Bradley: Honesty and integrity was another thing. I have said on some occasions to this House, Mr Speaker, when you have been in the House in other capacities, that I was one of those people who was actually almost convinced that the NDP was different, that it was a different kind of party, that when it got into power it would do things differently from what other parties have done. Well, reality has set in and we find out the Premier is just another politician. That is not a putdown of him at all, but he was a person with a halo around his head in the minds of

many people. That halo has slipped considerably, perhaps to the floor. The party was always considered to be a party which was interested in ethics and morals. Without perhaps being cantankerous, I simply observe that they have broken many promises over the past several months and, I am sure, disappointed many of their supporters.

Those of us in the opposition who disagree with some of the policies which are advanced think of it in two ways. In one way, we are happy they have not proceeded with some of the things they said they would proceed with when in opposition and during the campaign, because we do not think they are good for the province. On the other hand, we have a bit of concern that it increases cynicism in the public when it watches a government get into power, head up to Honey Harbour, and late on Friday afternoon when most of the members have taken off make a final decision that somehow it is going to completely abandon automobile insurance, which is central.

That is not directly to do with this bill, Mr Speaker. You have been kind enough to indulge me for a period of time in diverting a bit from the precise subject, and that is taxation.

I look at this particular tax and it does not really affect me. On a direct basis, I do not worry too much about it. There are cabinet ministers who may or may not be affected by that. I forget how it actually works out. They make about \$90,000 a year, but some of that is not taxable, so it might not even affect them. It may affect some of the advisers, some of my very good friends who have served in the past. The people who sit on the government benches will soon recognize that people who did not get elected make more money than people who did get elected.

My good friend David Reville, who was an excellent member of this Legislature, and Ross McClellan, another good fellow who sat on the NDP benches and defended the causes in which he believed greatly, and Gerry Caplan—he does not work for the government, but I am sure he makes lots of money—these kinds of people are all going to be affected by this. I suppose they are not going to be stampeded to the United States.

One of the concerns I have about this is it is difficult for me because I come from a working-class background. My father, when he was alive, was a union member. I live in a working-class neighbourhood in St Catharines. I do not live in the ritzy part of town or anything like that. Most of my friends come from the level of pay that would be commensurate with those who would not be affected by this tax and so on.

I used to think that was great, what we should do is always tax these rich people. I was a bit intrigued by the 1979 Marxist-Leninist slogan they used to put all over the city, "Make the Rich Pay," because it had a good ring to it. I was not rich; somebody else was. "Would it not be nice? There is a lot of fairness to that."

The previous speaker for the government, the member for Prince Edward-Lennox, talked about its being a matter of justice, I suppose—I do not want to put words into his mouth—and equality and so on. One of the concerns I have, however, is that many of the people in that category are people we really want to keep in our province. I may resent the fact they make more money than I do. I may

think they make too much money and I may think it is unfair, but I watch people heading out of this province to other jurisdictions, particularly to the United States, because they think they cannot do as well as they would like in this province.

In some cases that is not a legitimate excuse. I hope people will think in patriotic terms, but I found more and more people I would not have believed now abandoning this country and heading to the United States or another jurisdiction, but it is mostly to the United States.

For all the revenue we are going to get from it, I wonder if we do the right thing. I wonder if this is not the kind of tax which is going to drive people farther. I am probably a person who supports a tax like this, because it seems to be on those, but I ask myself the question, as we all have to, with all of the taxes we have rather than this particular tax, do I drive them out?

I am a sports fan, as are many members of the Legislature, and I watch people now say, "I don't want to play in Canada because the taxes are too high." That is one of the reasons they do not. I suppose to a certain extent, if you look at it strictly in terms of dollars and cents, it makes some sense to say, "I would rather either be paid in American dollars or head somewhere else where the taxation system is different." We see talent, on that basis, wanting to go somewhere else. That is not as important to us. There is some pride to having those professional athletes here.

I am concerned about other people, whether it is top-notch people in the labour relations field or people who are in business or professionals, who might decide the taxation system has become so oppressive in our province because of taxes that have built up. With a Conservative government followed by a Liberal government followed by an NDP government, the taxes have increased over the years to meet what we all perceive to be a desire to meet the service needs of the people in this province. I think that is something we have to look at when we look at each of these taxes.

I also believe we are in a different era. There is nobody in this House who is not a grass-roots political representative who does not detect a considerable shift in the mood of the people of this province. Even a couple of years ago there was not the tax revolt we see today. Probably the recession had a big part to do with that.

The Speaker represents an area, as I do, which is subject to the ups and downs of the economy. When there is a recession on, hits Cambridge, hits St Catharines and hits places like Brantford, Oshawa and so on with a great deal of difficulty for the people who are living there. Windsor is another place I think of, and Sudbury and the extraction areas of northern Ontario where there are resource industries.

People then become resistant to tax increases. It is a difficult balancing act. I do not want to pretend, as some will, that somehow there is a magic way of doing this, that somehow we cut everything. That is difficult to do because each one of us as an MPP writes to ministers or speaks in the House or asks questions. I ask about a CAT scanner for the Niagara region all the time. The cost to the ministry is not great on that, but that is another demand the people want. The people in the area have to raise the funds themselves. That is how it works. The ministry does not pay the

capital cost. There is an operating cost that is covered partially by the ministry. It is an example of how we are still going to have demands made of us, and at the same time try to keep those taxes down.

I look at the deficit, which is one of the reasons we put higher taxes on people. The Treasurer said, "I'm going to have a difficult time keeping it at even \$9.7 billion unless I have some tax increases in my budget," so he increased taxes. If you take it to a full year, it is about \$1 billion those taxes will increase.

There are other taxes I want to speak on at greater length, because I am more concerned about them than I am this particular tax, which I must say will never send me into revulsion or into the streets with a sign in my hand. But I look at the total accumulation of taxes and say that people out there are revolting and they are turning away from traditional parties as a result of that.

They look at the Conservative Party and they will hear members of the Conservative Party in this House make a case for restraint, make a case for control of government expenditures. They will look at Ottawa and say, "We have a Conservative government there." I understand how unfair it is trying to explain to anybody that there is a difference between a federal party and a provincial party. I had to go through that when we were in opposition and there was a Liberal government in Ottawa—people said, "Well, your friends in Ottawa"—and the Conservatives have to go through that at the present time.

But you look at the circumstances and people say: "The Tories in Ottawa have a huge deficit and they even have the word Conservative in their name and they seem to have a lot of money for certain things. Yes, they have tried to pull in the reins on other things, but they seem to have a lot of money for things. They seem to be pretty big spenders."

Then look at the Liberal government. We went through some good times and we were able to expand some programs and undertake some capital projects. They say, "That party, when it was in power, sure it balanced the budget one year but it had five good years out there and it seemed to have money to be spending on the population."

Then they look at the NDP and say: "Those people have never been interested in restraint. That's not been part of their policy. It's been a policy of providing service and expanding and investing, and that's been traditional." At least in Ontario, they would gain that impression.

They start turning to other parties, and that is where we see the results of the election in New Brunswick. I do not attribute those victories or those eight seats to something called taxes and things of that nature. I know the reason for those seats being lost, and that is not hard to figure out when you look at the demographics of the province.

1630

But one of the factors that makes the Reform Party attractive to some people in this country, and parties such as CoR attractive, is a feeling of oppressive taxation. That is why we have proceeded with a good deal of care when we talk about implementing new taxes in this province. I am concerned about, as I am sure everybody is concerned about, the deficit in this province. We have about a \$10-billion deficit this year.

What I submit is even more disconcerting, however, is the fact that next year it is projected at about \$9 billion and the two years after that at about \$8 billion. That accumulated debt is beginning to worry even people I would not have believed would have any worry about debts, and that means that you start hearing the buzzwords of "spending smarter." Even the government picks up on these now as the opposition parties did when they were in power and were looking at ways to avoid tax increases.

I look at the promise of 60% of the cost of education. A number of the people who sit on the other side of the House come, as I do, from the teaching profession, and the federations certainly always plugged heavily for 60% of the cost of education to be paid by the province. Now we find out that last year in fact the percentage went down once again. It went down under the Liberals, it went down under the Conservatives, and they found out they were chasing something that was pretty hard to catch up to.

I wonder how, without even more tax increases, this government is going to be able to meet that promise. They are either going to have to break the promise and say, "Look, we thought it was a good idea when we were in opposition, but guess what? We can't do it," or they are going to have to tax, or I guess the third is to run even a bigger deficit.

I do not think we can get away with running those deficits any longer, though I think in fairness when the New Democrats speak about a deficit, we have to look at what the member for Renfrew North said. You have to look at what the total budget is and what the deficit is. Ten billion dollars sounds like a lot and it is a lot, but I can recall in the midst of the last recession and in desperate straits a Treasurer, who was a Progressive Conservative Treasurer, had a deficit over \$3 billion on a much lower budget. Darcy McKeough even had to run them and he was seen as a fiscal conservative.

But I think all of us are going to have to look carefully at those expenditures. I, almost ad nauseam in this House and to the boredom of a lot of people, recommended strongly—and some people who have been around for a while know what I was talking about—looking carefully at each of the expenditures. The Chairman of Management Board is an underrated position. It is now called treasury board, I guess; it has a new name. But the Chairman of Management Board has always been an underrated position. Management Board plays an extremely important role in controlling expenditures.

Unfortunately what you have to do—there are a lot of programs around that have been around for a number of years, and I know as a minister if you try to cut those, there are people with a vested interest in seeing them continue in your ministry. They are good people. They are working hard at them. They believe in them and they do not want to see them abandoned.

But you may say we are in 1991. That program might have been relevant and might have been important in 1985 or 1980 or 1975, but today perhaps we believe within that ministry there is something more important we should be doing. Instead of putting in new taxes or running the deficit up, we might say to a minister, "If you abandon this

program, we will allow you to take that money and spend it more productively on another program, or if the program is not needed at all, we will take that money into the central pot so we can pay down the deficit." I think that kind of fiscal control is going to bring our expenditures in this province under some considerable control in the future.

I look at other countries and what is happening—and you cannot tell, because you will see different governments elected for different purposes—but I look at Sweden as an example. This government and members of the New Democratic Party, in Ontario at least and perhaps other places—only in my friends in the NDP in Ontario have I noted this—have been particularly intrigued with what has happened in Sweden. It was always held out as the paradise, and indeed a lot of things were accomplished in Sweden.

A lot of what was accomplished was probably in a humane sense quite worth while, but the people of Sweden this time around—I think, until this election campaign came up, a bit to the surprise of the governing party—rejected a party which has provided government to them, has been a popular government over the years to the people of Sweden. They have said, "Our tax burden is too great and many of the ideas we thought were good and were almost paradise are not what we really need in the 1990s." So we see them being rejected.

Some people will compare, and I am not going to engage in it; they say: "Look what's happening in eastern Europe, in the Soviet Union, and everything. They are getting rid of socialism and they are embracing the free market." I do not think that is a fair comparison, quite frankly, because it was communism, a different kind of socialism, that existed in those countries.

However, the principle of moving towards a market economy is there and it seems that a lot of people in the world are moving more in that direction. What is fairer is probably to compare Sweden rather than to compare what is happening in eastern Europe. For rhetoric purposes it is great stuff and I will say it from time to time in a heated conversation with my NDP friends, but Sweden, I think, is the better example.

I look at some problems that arise that I will deal with at some length in other bills coming before the House, but the cross-border shopping issue is one which the member for Sault Ste Marie and I have had some chats about. I never reveal in the House the privacy of chats that members have, except to say, as he would publicly, that it is a matter that causes great arguments even within one's family as to whether there should be cross-border shopping.

It is also difficult with low-income people. Now these are people with not much money to spend and some people lecturing to them—and we all like to hope they would buy in Canada—say, "You know, you should buy in Canada." They will say, "Well, if I made as much money as a cabinet minister or as an MPP or something like that, as the Speaker, I guess I could afford to shop in Canada as well."

Where I bring that into this argument is again the feeling that oppressive taxation is driving people out. It is an excuse almost. People feel vindicated. They say, "We've got the GST, we've got the PST and we've got all these other taxes, gasoline taxes and cigarette taxes," and whatever other

taxes this government increases and other governments increase—alcoholic beverages, that is it—and they say, “This is my rebellion, my way of speaking out against taxes.”

Now it comes back to haunt them, because a lot of the people who are working are going to be affected by this, and I have often had this argument with some of my colleagues and friends. I have not always been as successful as I might be, and I know my friend the member for Sault Ste Marie has experienced some of the same situations.

I am also concerned about plants leaving this province. Again you will say, “What does this have to do with all these tax bills we have?” It is again the accumulated effect of oppressive taxation on a province. I am not a business person. I often say, “They don’t have any business experience over there.” Neither do I have any business experience, but I guess I have some experience of having been in a cabinet and exposed to a lot of people around the table who knew something about business, people like the member for Wilson Heights and the member for Quinte who had been in businesses of their own, and some others. I cannot recall exactly all of them. Premier Peterson knew business, and so on. The debates were quite vociferous in cabinet between those who did not have business experience and those who had business experience. I hope a balance emerged from that.

But my concern is that with all the taxes we are seeing, people are going to head out of here. I do not know whether I have to like those people or not. Some of the heads of certain companies in this province who have been there over the years have been not very kind to their workers and not very good patriots. That is fortunately a very small number, but about some of those people some people say, “Good riddance to them.” I am sorry, but there are jobs that are provided and it does stimulate the provincial economy.

Whether we like those people or not, whether we agree philosophically with those people or not, it is important that they keep their investment here and that they continue to invest, and that new people are interested, because if they are not interested, I am afraid all of the social programs that are advocated, by members of the government particularly and some of us in opposition, certainly will not be possible without the revenues that would come in from those people, without increasing taxes.

Now they have established a treasury board, I hope to heck they use the treasury board appropriately and that the chair of treasury board is going to be the most miserable person in government, because that simply is part of the characteristic of that person if he or she is going to be effective.

1640

I looked at a number of other issues that could arise, but I indicated to members of the House—I know the Progressive Conservative Party has some future speakers, and others may have as well—however, my concern is greater about the gasoline tax, and although I do not smoke and I do not particularly like smoking, about the tobacco tax only as it relates to cross-border shopping, and about the alcoholic beverages tax, which is also reflected in the price of meals. So I would be more inclined to spend some

considerable time there, and it is probably more in order to spend some considerable time on that aspect of it at that time.

I caution the government at this time to look very carefully at expenditures. It is going to be attacked. It is going to be attacked by the opposition in some cases because we will decide what we think is a reasonable cut by the government and what is not reasonable. The government can be assured it will receive some attacks here and it will receive some from the people who supported it. The member for Durham West makes a lot of noise over there and his friends in the Ontario Secondary School Teachers’ Federation are going to be on his back when they see that the government is not going to keep the promises it said it was going to keep. So he will have to bear the brunt of that and it is part of being government. Some of them who have been close to social groups, social workers and others who believed that when the NDP got elected, at long last the programs would be funded the way they felt they should be funded, may be disappointed.

I am going to be interested in reading the union newspapers. I have always found it interesting reading the newspapers put out by various unions because there are some interesting points of view, some very compelling points of view put forward. I am going to be interested to see other people who make comments on public policy, whether they will be apologists for the NDP or whether they will continue to advocate for the group with which they have been involved.

There are some people who attacked the Liberals and said, “Well, of course, the Liberals are in the pockets of insurance companies.” I have been known to interject occasionally in this House and I have interjected in a joking way, “Aha, you’re now, as a government, in the pockets of the insurance companies.” I am going to be interested to see whether today those same people who attacked me for not being an overwhelming and strong supporter of government-run auto insurance will be critical of the government. Will they have in the forefront their NDP membership card, or will they have in the forefront their lifelong struggle for things they believe in?

I know many of these people and I know they will have to put aside their allegiance to the NDP. They can still vote NDP and still be supportive, but I know that because they are people of integrity, they will be critical of their own New Democratic Party and will write letters to the editor instead of attacking opposition members for their positions. They will be writing letters to the editors saying, “We don’t agree with what our NDP government has done.” If they are simply apologists for the NDP and not defending the positions they have so strongly believed in over the years, then they do not serve the people they have been involved with over those years, whether they have been striving to support the poor or any particular group in our society.

I will be watching carefully. I know some of those people will overcome the desire to support the NDP no matter what and will make known their views in a very strong sense. That will make it difficult for the members of the government to deal with tax bills such as this particular tax bill, Bill 83, that we have at the present time.

Mr Speaker, I want to thank you for indulging me in this. The previous Speaker who sat in the chair, the member for Cambridge, was also tolerant of deviating from the precise provisions of this bill. I encourage the government to withdraw its other taxes and to examine the ramifications, through some kind of careful study, of even this tax for the wellbeing of the province.

Mr Tilson: I have certainly followed with interest the career of the member for St Catharines over the years. I have not always agreed with what he said, but I have certainly respected his thoughts at times. I appreciated his specific comments as to where this government is going.

He has observed socialism around the world. It is true that the tremendous upheaval in the Soviet Union is not really a fair comparison, but it is a comparison, that extreme socialism has not worked in that mammoth type of government. It has not worked in Europe, it has not worked in Sweden and it remains to be seen whether it is going to work in North America. We have observed an election going on in British Columbia and we have observed the member from the NDP in British Columbia distancing himself from Ontario. It remains to be seen what the people from British Columbia feel with respect to socialism in that province.

Certainly socialism does appear to discourage competitiveness. It discourages the desire to work. With all these facts, my question to the member for St Catharines is this; I know he has had more time to reflect on philosophies, having been a minister. I would like him to share some of his thoughts as to where he thinks this government is going with the philosophy that everyone else around the world is turning his back on.

Mr Sutherland: As usual, the member for St Catharines gave a very good speech this afternoon outlining some of his views on the issues. He raises some important issues, as the member for Renfrew North did yesterday in his speech. While I was not here, I did take time today to review his speech, and he made some very thoughtful observations about the dilemma we are in.

It is interesting that the member for Dufferin-Peel talked about Sweden and how socialism had not worked there. I disagree with him in terms of the sense that it has worked there for many years and the people there have thought it has worked for many years. That is why they continued to elect the government. The reason it has worked is that they made value decisions. The people and the government made value decisions in terms of what were priorities and what was important to them.

Bringing that back to what the member for St Catharines was saying in terms of the dilemma we now face, it seems here in this country that people have made value decisions in terms of what issues are important to them, in terms of health care and education and the type of system we want to have here versus the system to the south. At the same time as they have made those value decisions, up to a certain extent they have been willing to pay a premium for those different values. While there may not be a better standard of living from a statistical standpoint, certainly

there is a better quality of life in this province and in this country due to some of those value decisions.

The key dilemma right now is that many of those people are saying they still want to have those same values, but they do not want to pay the premium price that we have had to pay as Canadians and as Ontarians for that. That is going to be a real challenge for this government. I think it is going to be a real challenge for all governments in this province and country to try to deal with that. I am sure that debate is going to go on a little more. It has certainly been a learning experience for me over the past year in terms of balancing off that dilemma we face.

Mrs Sullivan: I wanted to comment in response to the statements of the member for St Catharines, who I think made some very telling points about taxes becoming an impetus for people to decide to leave this country and this province.

Certainly in my constituency, among my constituents, I am seeing that situation on a daily basis where young people, not just the corporate executives, are deciding they are going to choose career options that are outside of this country, and taxation is one of the reasons that is a turning-point in their decision.

Certainly if they look at the situation in the United States when tax reform occurred, one of the things we are finding in jurisdictions against which we are competing for jobs, for investment and so on is that while maintaining progressivity in their income tax rates—indeed they have done that, collected the same amount of money, and reduced rates at the same time. So when a young person or an executive is looking at the comparative factors in deciding whether to stay or to leave, he is looking at substantially lower taxes for very similar services, other than health care. Even with the addition of what is clearly expensive health care coverage in the United States, people are still making the decision that they will be further ahead at the end of the month and will have more freedom to decide whether they are going to invest in home life or in their community through corporate activity or other activity.

When the members look at new income taxes in conjunction with other taxes that are proposed, which the Treasurer has indicated in his last budget are going to be going on until the end of the government's term in office, believe me, that decision is coming earlier and quicker and with more definition each day.

1650

Mr Johnson: The member for St Catharines did indeed make some very important points and made some interesting comments. One of the comments he made was that people are leaving to go to the United States because they think they are going to have tax advantages. In fact, they may have some immediate gratification with regard to how their taxes are taken from them, but is it not a sad commentary when we think of people who want to work where they can get the most money and live where they pay the least? They want to work where they make the most and live where they pay the least. Would we not all

like to be in that situation? Well, unfortunately, we all cannot.

The idea that people think—and they truly do—there is an advantage to living in the United States may not in fact prove to be so. As I indicated earlier, there are city sales taxes, there are road taxes. I have not been in the United States recently, but I know when I was there about 15 or 20 years ago I was on one of the turnpikes and there were a number of toll bridges and I had to keep reaching into my pocket trying to find change to feed them. This is something we do not have in Ontario. There are ways and means by which they collect taxes that are not income taxes, and I think that certainly is something we have to look at.

The quality of life they have, the medicare system they do not have, and certainly the fact that they have probably one of the biggest deficits in the world, some day they are going to have to collect on that. I have no doubt about this. Does that mean that all those people who have migrated to the United States will suddenly say, "Hey, we're going back to Ontario because now there's an advantage there"? I am not sure. The situation is very serious and certainly I want to thank the member for St Catharines for the point that people think there is an advantage to moving to the United States.

Mr Bradley: I thank the members for their various comments and questions. I will not have time to deal with everything. I thought all the comments were useful and helpful.

The member for Dufferin-Peel asked me about what I felt the philosophy of the present government would do to Ontario, where it would send us. I think one of the problems is that the government when it was elected and when it was in opposition raised a good deal of expectations, expectations that cannot be met. I would suggest to them that people are soon not going to expect as much from government as they did before, except they are going to expect somewhat lower taxes. That is a change. That is a perceptible change from what I would have seen in the 1960s and the 1970s, even into the 1980s, as we get into the 1990s to see that change.

I think there is a recognition now among many that they are no longer members of advocacy groups; they are now people who have to make value judgements as they are elected. We like to chide them, whether they are from the trade union movement or other areas. My friend the member for Chatham-Kent is here and I like to chide him about those things, and I still recognize that as a member he is going to have to defend positions which are not 100% of what he would like. We are going to have to see that happening in this government, and it is doing it already.

I think there has to be a recognition that we live in a very competitive world. I wish we did not. I wish we were living in, I guess, a system where there was not the kind of competition—the world after the Second World War, where Canada was king, pretty well, and we did not have to worry about the competition.

But in everything that the government does, I believe it is going to have to understand that the competition exists. Perhaps it cannot have everything as it would have liked.

The last thing I would say to the government is to be very careful of entrenching things in the Charter of Rights and Freedoms. I heard the Premier starting to make some comments about what he would like to see in a Constitution. May I assure the members, if they want to see the control slipping away from elected people to the courts or to a Senate or somewhere else, just entrench those things in a Constitution and they will find out there is a big difference.

Mr Tilson: I think all members have acknowledged that there are certainly other bills to follow resulting from the budget, which I know we all wish to debate, specifically the bill with respect to gasoline and tobacco, and there are others. This is a bill certainly of a more general nature. The explanatory notes have been referred to the House. I know we can all read, but I think that members of the public will be interested specifically in what this bill does.

It has been referred to by members in the government as a very simple bill, that there is nothing really to it, that it is minor increases to the very rich. I would like just to refer, for the record, to what the explanatory notes of this bill say.

"The bill implements the proposal contained in the budget of the 29th day of April, 1991 to increase the surcharge imposed under the Income Tax Act on personal income tax in excess of \$10,000."

There is one section which is summarized in the explanatory notes:

"The re-enactment of section 2b of the act increases the rate of surcharge from 10 per cent of Ontario personal income tax in excess of \$10,000 to 12 per cent for 1991 and 14 per cent for subsequent years."

I think that latter statement is certainly interesting. It is committing our future to future increases in the years to come of 14%. The bill, as the government has been wont to do, is making this retroactive to the first of January 1991.

As a new member, I can say that I meet not just people in my own riding but people around the province. I have had the pleasure, or the displeasure, of travelling around the province, specifically on the rent review hearings, and meeting people who have discussed not just housing issues but general issues of the economy.

It has been one of dismay. Standard questions one hears are: "Why are people cross-border shopping? What can we do about it?"

They are going because of the high taxation rate in this province. Certainly there are other issues. There are the issues of the recession and how the recession is affecting the people in this country and, yes, they are going because of the GST. I will be addressing the GST in a moment.

Another question that is asked is: "What is this government doing? Do we have to put up with them?" Yes, I suspect we do. The NDP won the election. It had a majority and it intends to implement—it has given us notice of that—social programs for the next number of years.

But there is a general fear, a fear by business. I sat on a committee yesterday where members of this government were concerned with what they called the myth that has been created by the opposition parties and the press that business is afraid of what the government is doing. I can

tell members, it is there. All they have to do is read the papers every day, talk to people in their own ridings, talk to business people, talk to people on the streets, and business is afraid of what the government is doing, business is afraid of bills such as Bill 83 and how it is going to affect their businesses and their survival.

People are afraid for their jobs. They are afraid of how taxation is affecting business and how that is destroying businesses. Businesses are going bankrupt. Yes, it is not completely because of the government's policies, but it cannot deny that it is because of some of its taxation policies, and this is certainly one of them.

The fear is of companies moving to the United States. Yes, there is no question that there is a whole series of reasons why businesses have left this province and are going not only to other provinces but to the United States.

But the facts are there, the fear of increased taxation in this province. All of us in this House, particularly members of the NDP and members of my party, in the last election went around complaining about the past Liberal government and the great number of tax increases that it spent, but this government is no different.

People were very upset in the last election. The NDP did not win the last election because people were supportive of its policies. They were voted in because of the fact that people did not like the continuous tax increases that were being put forward by the Liberal government and yet the government continues to implement—I submit it is even worse than what the previous government was like. Its taxes are becoming unbearable.

It is going to be interesting to watch the municipal elections that will be unfolding this fall. In every municipality around this province the theme seems to be the same: taxes, taxes, taxes. School boards are spending more, perhaps because of more increased pressure by the provincial government, and the downloading of policies is continuing. Bill 30 is an example.

1700

The municipalities are continuing to be concerned with the demands that are being put on them by this government. At the same time the hints were there. In the last election the government was thrown out and one of the main reasons—there were a number of reasons and the members submitted them, as did I, when we went around our ridings—was taxes. It is going to happen again, and yet the government continues to spend, to implement policies that are expensive and to put forward policies that we simply cannot afford.

I do not know how we are going to help that feeling of dismay and that lack of confidence, because how do you stop people from leaving this country or this province? How do you stop people from the lack of desire to invest in this province? What do you do? How do you do it?

The government's theory seems to be to continue with taxation. It has built up a deficit that is going to be insurmountable. The government members continue to remind us of the GST. I do not think anyone likes the GST. I do not think anyone in the country likes the GST and obviously that is a continuous debate that surfaces daily. People do not like the GST, but I would like to remind the members

of the philosophy of the previous Liberal government in Ottawa, which was a spending philosophy and it caused great debt in this country. The debt increased until it was spending 33% or 35% on interest alone. That is what is going to happen in this province.

In the future, people who are coming to this country and our children and grandchildren are going to have to pay the debt. Somewhere along the line the debt has to be paid, and that is the fear and dismay this government is creating. There is still time to reverse that policy. There is dismay when we hear the Treasurer talk about the deficit and how he obviously is going to have to cut back on several millions. He has been asked in the last two days what he is going to cut. There is a great deal of concern.

Commitments have been made around this province. In my own riding, for example, there is a commitment to build a hospital by this province, by the Liberal government and by this government. It was renewed by the former Minister of Health and I hope she honours her commitments, because there is a great fear that this province is going broke and that we are not going to have the needed services that were promised by previous governments, and the planning and the great needs for our health services.

One of the major philosophical differences I have noticed with this government is that we should all be the same: "Tax the rich. Tax the middle class. Don't tax the poor." I think there have to be graduated schemes of taxation, but the middle class is slowly disappearing in this province. I would like simply to ask the members of the government why they feel we should all be the same. Are we all the same? Should the ministers be paid the same as other members in this House?

I disagree a lot with the philosophies that are being put forward by the ministers of this particular government, but I know they all work very hard. They all spend many hours and they should be paid more than the rest of the members of this House, and yet they are typical examples of people who are working and being taxed. There are others, other doctors and other people. I cannot expect that the members not deny they should be paid more because of their talents. Values are placed on more talents than others and should be paid accordingly, and yet the government's theory is to make us all the same, tax, tax, tax.

It is going to discourage people. Why should one be competitive? Why should one start up a business? Why not join the government? They are paid well and their jobs are guaranteed. Businesses continuously are going into bankruptcy, but why should the government? Why should they work hard and spend more hours? They do not have the union hours. The people in government do not have the problems that people in private enterprise do. Why do people do it?

I hope this government would try to put forward means to encourage private enterprise. We need private enterprise because it gets back to the issues that were raised by the member for St Catharines. Socialism is not working. It is not working in other parts of the world and it certainly is not going to work in Ontario. I hope that when the members are voting for these bills, they keep those theories in

mind, and they encourage people to work in this province and not tax them so they will be forced to leave the province.

I spoke to a number of doctors who have raised the question of the issue of capping their salaries. They are simply saying: "Once I have reached that salary, why bother working? My salary is capped. I can't make any more. I might as well move to the United States." Considerations are being taken by those individuals. I appreciate that this specific subject does not have a great deal to do with Bill 83, but it has to do with the general philosophy of Bill 83 and the general issue of taxation.

There is the whole subject of particular industries and the concerns they have on taxation. For example, I will pick the subject of tourism. Certainly much time will be spent on the subject of the gasoline tax with the subject of tourism and I will not dwell on it, but the whole philosophy of taxation in the tourism industry and how it is affecting their industry is a concern.

Why would people in the United States come to Ontario? Why would they, because of the high taxes that are surfacing in this province? The prices are higher, costs are higher and taxes are higher. Why would they come here to spend their holidays? Why would they come here to spend?

Mr McLean: They would just come to learn how to spend money.

Mr Tilson: That is right. They come to learn how to spend money because that is what this government is becoming very good at: how to spend money.

There are concerns around the province specifically from the tourism industry. I would like to refer to some of the comments that have been made dealing with the whole theory of taxation and the tourism industry, and specifically I would like to provide a submission that was made to our leader's tax campaign that went around the province at the time of the budget debate. This came from the Peterborough Kawartha Tourism and Convention Bureau. At that time submissions were made to us expressing the concerns of the taxation policies and the high deficit policies of this government.

It is stated by this industry that the industry decline that started some two years ago was delayed in reaching Peterborough and the Kawarthas by some six months:

"That six-month reprieve helped, but now the slow-down has reached us. Tourism is of the utmost importance to this region. Studies conducted over the years confirm this. In 1989 the economic impact of tourism to the region was estimated to be \$140 million. Direct and indirect employment was in excess of 7,000 jobs, which accounts for 12% of the area labour force as well as over \$27 million in combined municipal, provincial and federal tax revenue."

That is something I do not think the government has spent a great deal of time on: the effect of its taxation policies on jobs, how it affects industries such as tourism and how it affects other industries and other jobs where people are simply going to lose their jobs because industries and businesses cannot continue because of the high taxation policies of this province, and Bill 83 is no exception.

"A brief background to the Peterborough Kawartha Tourism and Convention Bureau: The bureau was established in

1982 as the primary marketing and visitor servicing agency for Peterborough and the Kawarthas. We are a non-profit association representing approximately 200 members of the area's tourism industry."

This is an organization that certainly speaks for the entire area and expresses its concern about the decline of tourism in the Peterborough area. They talk about the additional taxes that were announced in the budget of April, and they say specifically that it was "bad news to operators at the start of the 1991 summer season. Added taxes which increase costs and are ultimately passed on to the consumer dim the light at the end of the tunnel."

1710

Then they refer to the various taxes which we will be dealing with later, the tax bills for gasoline, tobacco and alcohol. We will be spending some time, at least in this party, on how that has affected the tourism industry across the province.

"In 1982, US tourism represented 47% of all visitors to the Kawarthas. The percentage has continued to drop and in 1989 was down to 17%.

"One area resort operator tells me that his US business in 1979 represented 90% of his total business. In 1990 that figure was reduced to 3% and forecasts for the 1991 season see US business reduced to 1.5% of his total."

Again, there is no question that it is not solely the effects of this government that are causing that industry to decline. But certainly when you talk to these people in the business about the economic policies of this government, the tourism industry is placing a heavy responsibility on this government as to where the tourism industry is headed.

"In recent months, the bureau has seen increased inquiries from bordering US states. We are encouraged by the interest but concerned about reactions to costs upon the arrival of our American friends. The product is there, but by comparison to US prices we are expensive."

I have seen at first hand, particularly in the border areas, restaurants that normally are full in the summer months, and they were empty compared to other years. Why are they empty? Because of the philosophy, the taxation policies of this government.

"The 47% share of visitation previously made up of US visitors has now been replaced by visitors within a 140-kilometre radius of Peterborough. The largest of that 47% is 25% from Metro Toronto."

Then, again, they spend considerable time on the other taxation bills. I will try to restrict my remarks to the general taxation policy of Bill 83.

"At the annual pre-budget submission made by Tourism Ontario to the Treasurer of Ontario, the provincial federation which represents the industry suggested alternatives rather than presenting requests for the upcoming budget.

"These suggestions and alternatives could have reaped significant revenue for the province, and rebalanced taxation inequities.

"We are pleased to see that the freeze on the PST applied to roofed accommodation at 5% and the rebate of same tax to visitors from outside the province remained intact."

So there are positive compliments to this government, but they are discouraged by some of the recommendations

that were not included in the budget, specifically the rescinding of the current provincial sales tax exemption on prepared foods; harmonizing the collection of PST applied to prepared foods and beverages to 8%; the levelling of the playing field between publicly funded and non-profit tourist attractions and private tourist attractions; and the reinvestment of provincial tax revenues collected from provincial fuel taxes, drivers' licences, etc, into the improvement, repair and expansion of provincial and municipal roads.

"We here in Peterborough were recently disappointed when yet another delay was announced in the completion of Highway 115. Highway 115 is the gateway to the Kawarthas."

So there is a feeling of dismay in this particular industry, and I think we could refer to a number of industries—the retail industry—as to the philosophical economic policies of this government.

One of the fears that is surfacing more and more—and it existed a year ago, and members of the government saw it while they were campaigning around the province—was the downloading, the passing of what are provincial responsibilities by a provincial government to municipalities. They are continuing to do that, which dismays many of the municipal politicians, and they will be attacked by that; they will be attacked by those philosophies in the forthcoming municipal elections.

There was an interesting observation talking about property taxes in the province of Ontario in one of our recent Toronto newspapers, commenting on the size of property taxes. In other words, property taxes are increasing more and more—and, I would submit, because of their philosophies in the economic area.

Mr Hope: No, the Liberals did that.

Mr Tilson: Yes, there is no question that part of it was because of the Liberal philosophies, but the government is continuing it. They have an opportunity to stop it and they are not.

I am quoting from this newspaper clipping:

"The total amount of property taxes collected in Ontario in both 1989 and 1990 was almost half the total collected in Canada.

"According to records in the public institutions division of Statistics Canada, Ontario collected \$9,927.2 million in 1989 while in 1990 the figure was \$10,682.2 million. The total property tax collected in Canada in 1989 was \$19,895.6 million and \$20,993.5 million in 1990."

That is rather astounding. The municipal politicians will unanimously be telling them that it is because of their economic policies, the policies of passing on provincial responsibilities in the education field and the municipal field to the property taxes, whether it be child care or whether it be other areas.

There is no question, I would submit, and it has been pointed out to them over and over; I am sure they have paid studies in their files that talk about predictions from economists that this province is going to be the last province to pull out of the recession.

The Premier and the Treasurer have made comments that, "Okay, we're going to spend our way out of the recession, and therefore we have a \$9.7-billion deficit." Now they are saying, "Well...." We have not been told how much that has increased to and I think we are anxiously awaiting, as are the people of this province, to see what they have been doing with our money. But I am sure it is going to be revealed as to exactly how terrible the situation is, and we worry about it. We worry about it on this side of the House and we worry about it out on the street, as to exactly what the government has been doing with our money and how it has been spending money we do not even have.

Reporter after reporter after reporter has talked on this in the press. The government has received studies, I am sure, that have talked about this whole subject. I would like to refer to one that simply came from my riding. I will just refer to a couple of sections that express the concern of the people of this province.

Here is a writer in one of the newspapers who warns that "Ontario is repeating the same economic mistakes made by Ottawa during the last recession." He predicts that "the province will, as a result, be crippled in future with an institutionalized debt and spiralling taxes." Does that not sound like Ottawa back in the 1970s? Do members remember how the deficit had increased, increased? In one foul swoop, the government has created a monster in this province that will take decades for us to pay off.

"Ontario could well be the last province to pull out of the recession, which apparently is close to an end." That has been predicted around this country, that it is close to ending. There is a certain amount of optimism that the recession will end. But that optimism does not exist in this province. There is a fear of, am I going to lose my job? The housing market is certainly down, and the reason is not because of the interest rates; the interest rates are somewhat down and they were a few years ago. But certainly people are afraid of losing their jobs. Why are they afraid of losing their jobs? Because businesses are failing; people are being put out of work. Why are they being put out of work? Because of bills such as Bill 83, which is discouraging business from operating in this province.

This writer goes on to state that the Ontario budget proposes to "raise provincial spending by \$6.2 billion, or 13.4%, in a single year." That is astounding in this recession, in a recession that we are already in, and yet this government decided to increase its spending by 13.4%, sustain a \$9.7-billion deficit in the first year. That is astounding considering the recession we are in. Would government members put their families in debt in the same way their government has put this province in debt? I do not think they would.

1720

"This deficit is higher by \$6.5 billion, or 204%, than of the previous year." What an increase, 204% from the previous year.

"Add another \$25.1 billion to the province's accumulated deficit, from 1992-93 until 1994-95.

"Add more debt over 48 months than Ontario accumulated in the previous 125 years.

"By 1994-95, make Ontario's deficit-GNP ratio twice as bad as that of the federal government."

That is where we are heading. Those people stand over there and they say what a disaster the federal government policies are. They should think about it. If their economic policies continue, it will be twice as bad as it is now in the federal government.

"The Ontario government must question why it, alone among all the other Canadian governments, has chosen this well-known path to trouble."

That is how it ends, and so it is a feeling of dismay. I took that at random out of letters to the editor and comments that are made by reporters and columnists in our ridings.

There are other comments that have been made by people in the press that I am going to refer to, because I do not think those people are reading the press and the feeling of dismay that has been expressed around this province.

The main feeling, of course, is that "a net debt in Ontario, which under the NDP will grow from \$34.8 billion to an awesome \$69 billion by 1994-95"—and that, of course, is calculated simply on the deficits of \$9.7 billion this year, 1991-92; \$8.9 billion in 1992-93; \$8.4 billion in 1993-94, and \$7.8 billion in 1994-95. How in the world are we going to pay it off?

One of the government's bright ideas is to put forward bills such as the one that is before it. That is how they are going to do it. How in the world do they expect that bills, about which one of the members over here says, "It's just a small amount; it's only going to tax people a little bit," are possibly going to reduce that deficit? Is it going to disappear by magic? Is it going to go through a recycling? If you think about it, where is the money going to come from? I mean, you do not spend money that you do not have.

The calculations that are put out by this reporter, and this came out of an article in the *Toronto Sun* at the time of the budget and that was an estimate, those figures that were given—they are not just quoted here; they are quoted in other newspapers around this province—are, "\$25,000 owed by every household, or \$7,000 owed by every newborn baby." Every baby that comes into this world, just because of their policies, is going to owe \$7,000.

"Personal income taxes in Ontario now account for more than 37 cents of every tax dollar"—does that not sound a little bit like Ottawa, a little bit like, where is the money going to come from?—"compared to 26 cents back in 1984-85." That is what the people of this province are worried about. Where is this government going?

They also get into the other bills, Mr Speaker, and I can assure you that I will be expressing those concerns with respect to the other bills, because obviously this government is not listening to the concerns that are being talked about around this province.

There are a couple of other statistics, some of which have been given and I am going to repeat them—some of them are new—that I would like to refer to the House as a result of the tax economic policies that are being put forward by this government, as exemplified by this bill.

The NDP budget, of course, includes \$1 billion in tax hikes. That includes them all, but \$1 billion in tax hikes. Government members should try to remember back when

they were running for office. They should try to remember back to what they were saying. Did they ever think that they would be taxing the people of this province an increase of \$1 billion? They should try to explain that to their constituents. One of the members up here was talking about going around ridings such as mine and talking about the wonderful things he is doing here in Toronto. He is going to have a hard time explaining how in the world his government has \$1 billion in tax hikes as a result of its philosophies.

This government is continuing on from the previous government. Ontario taxpayers have had more than 40 tax increases since 1985. The NDP government made the same sorts of remarks when it was running for office. They talked about the tremendous number of increases that the Liberals put forward. They were going to be the new breed of politician. They were not going to do that sort of thing, they acknowledged. They would go door to door and people would be complaining about taxes: property taxes, all kinds of taxes, tire taxes where the \$5 tire tax was not even going on the environment; it was just disappearing into the general revenue. People were concerned, and they are getting terribly cynical.

Again, how is the government going to explain the continued number of tax increases? They should add them up. They should add up the number of bills that we are putting forward, that we are going to be debating. This is the first. I want them to go back to their ridings and explain why they have broken their promises. Of the seven Ontario budgets tabled from 1985 to 1991, five have imposed tax increases and/or new taxes; the two exceptions, of course, fell in election years.

No wonder the people of this province are cynical. No wonder they are cynical about what the government is doing. No wonder business will not trust them. We have been sitting through housing policies, and people who are investing in the housing industries, with the retroactivity, playing by the rules that were set by the previous government—that is just an example. The government has lost the confidence of the people who invest in this province, not only from within the province but from outside the province.

The NDP government will collect \$18.6 billion more in taxes than the Conservative government did in 1984-85—\$18.6 billion more; astounding figures. The deficit has tripled from where it was to \$9.7 billion. At least, that is what we were last told back in the spring. Who knows what it is now? I groan. It troubles me when I see the Treasurer say that he is going to be making several millions of dollars in changes. It really does, and I think it is troubling the people of this province. Where are they going to cut? Now, all of a sudden, they are talking about cutting. Where are they going to cut? It troubles us.

This is the largest provincial deficit ever in this country. What a record, having the largest provincial deficit ever, an astounding record.

There is still time to change it. They can change the direction in which they are going. It is a direction in which they say they consult, but I question whether they do. Certainly there has been very little change as a result of hearing

the people in their own ridings who are coming to them expressing concerns at the spending habits and the economic philosophies that this province is going and that their own government is going in.

I do not envy the government members. I do not envy how they are talking to their constituents. In fact, I was in Hamilton the other day talking to a group and they were having trouble speaking to the members. Hamilton represents four or five members. They are all NDP members, and they were hiding. At least, that is what I was told. And I do not blame them for hiding, because they are going to have a hard time explaining these facts. They are going to have a very difficult time. Facts are facts, and what are they going to do about it?

I will challenge them what to do about it. One of the things that they can do is that they can stop this bill, Bill 83, because it is a philosophical direction that is going nowhere. The cost to Ontario taxpayers is \$13,684,931.50 a day for interest payments—just interest payments. I will bet the government members never realized that. That is \$507,205 an hour on interest. That is what they are doing to this province.

1730

Mr Mammoliti: How long did it take you to figure that out?

Mr Tilson: Well, I am going through this. I know the figures are interesting to the member.

An hon member: He doesn't know it.

Mr Tilson: That is why I am telling the member, because I do not think he realizes that. To spend \$507,205 an hour on interest and then say—

Interjection.

Mr Tilson: No, I did not calculate it out, but it was calculated out on government figures, that is for certain.

Mr Mammoliti: What kind of calculator did you use?

Mr Tilson: If the member does not believe me, he should work it out himself, because I think he is going to have a hard time explaining these facts to his constituents. If he can prove me wrong, let him prove me wrong, but it is quite clear. It has been uncontradicted to date that the government's policies are out of control.

To comment with respect to Ontario's eroding competitiveness, the government's budget outlook predicts employment levels will drop by 184,000 in 1991. The budget boosts provincial spending by 13.4%. Government operating expenditures increased over \$5 billion from last year. The budget brings business tax rates up to 30% higher than similar companies in Quebec and New York state.

Two other facts: Ontario has been losing \$360 million a year in retail spending due to the cross-border shopping. Of course, the budget makes the situation even worse.

Mr Speaker, it is difficult for me to stay specifically on this bill, but the philosophical theme of the bill goes into other areas. I appreciate your allowing me that factor. These facts affect all the bills. I may be repeating them back to the government, because I do not think it knows them.

Interjection.

Mr Tilson: They are figures that are accurate. How are government members going to explain these figures to their constituents? The final figure that I throw to members to think about is that continental pressures have forced other jurisdictions to create a competitive climate. Ontario is headed 180 degrees in the wrong direction. That has been said over and over. All you have got to do is look at these figures and you realize that statements such as that are correct. When is the government going to reverse what it is doing?

The Treasurer has given some hints that he is going to consider it, and we will be looking forward to seeing what sort of cuts he is making, but it is troublesome that he made commitments in the spring and now he is saying it has gotten a lot worse. It has not gotten a lot worse; it is just as bad now as it was then. The government put this province in an unbelievable debt and I do not know how we are going to get out of it. One of the things the government can do is stop this bill.

Promises: A great deal of time has been spent by members of the opposition with respect to promises. The government obviously made the plan quite clear during the last election that there would be very few taxes. They would not give us any more higher taxes. That promise was made by all government members during the last election. That was their promise.

Interjection.

Mr Tilson: They should pull out their speeches. I will bet every one of them to a T made that promise, that would cut spending instead. That was their promise. They were going to cut spending. Are they cutting spending? No.

After the Premier told us in his \$52.8-billion budget this spring that he was willing to spend Ontario's way out of recession, that budget cost our prized triple-A credit rating. No one has ever said anything about that. That is what the government is doing. That is what its economic policies are doing to this province. The fear that goes around, not only the world but within this province, is the lack of confidence as to what the government's economic policies are doing to this province.

Reference is made to Ontario's slow recovery, which has certainly seen recently housing starts taper off. Of course, there are no residential housing starts. There is no one building apartments. I am talking about general housing starts, which tapered off last month even though they were higher than last year. There is no question they were higher than last year, but they are tapering off. Why are they tapering off? Because of lack of confidence in this government. Toronto's resale market, which enjoyed some sort of boom this spring, did fall down considerably after the budget was put forward. Average prices were down in May. With respect to listings in the real estate boom, they fell substantially after that into the summer.

Auto sales were buoyed by dealers' cut-rate financing and special package deals. They are falling still. Those plans put forward by the dealers did not work. Why are they not working? Because people are afraid to make those types of investments. They cannot afford it. They cannot afford it because of the government's taxation policies.

The Premier has made comments that he is going to cut spending. He has not told us what. The fear that some of us have is that he is going to cut capital expenditures that would affect our infrastructure, because the municipalities are going to be hearing that. I do not envy the members opposite going around their ridings listening to municipal speeches, because that is the fear that has already started. The people who are declaring themselves for office, to run for municipal office, fear what the government is going to cut, what it is going to do to the infrastructure of this province.

One of the emphases the government seems to have is with respect to keeping social programs intact. At first blush that seems admirable, because certainly there are a lot of people who do need assistance, but the government is not looking at the other areas. It has made it quite clear that it does not appear to be going to be cutting its social programs.

Capital spending is going to be needed in this province to improve our productivity and I fear the government is going to disregard that type of philosophy.

I have just a few concluding remarks to make on this general type of bill. I will be rising to address the House specifically on some of the other bills because you start looking at the whole effect of cross-border shopping and how that has arisen, and the effect of just the gasoline tax, specifically in my community, the number of people who commute and how that is affecting them. We will be spending a great deal of time on that and how that affects their way of life and how it affects their living and their quality of life.

I would like to refer to a recent article in the *Financial Post*.

Mr Mammoliti: Who wrote it?

Mr Tilson: I know the members opposite do not like any newspapers, they do not read anything, but I suggest they start reading them because they are all saying the same thing. Ruth Getter, who is a senior economist of the Toronto-Dominion Bank, made some comments which I would like to quote in conclusion. She writes: "The additional [1991-92] spending is not geared primarily towards fighting the recession. An effective recession-fighting strategy would be to increase capital spending, stimulate the economy and create new jobs." The government is not doing that with its policies. New jobs are not arising as a result of its policies.

She continues: "Fully two thirds of [Ontario's] increase in spending will go towards health, education and community and social services." Two thirds of that increase will go to those areas. The Minister of Health talked today and yesterday about the problems she is having trying to keep the expenditures in the health industry under control. The members have been applauding her for that. But that is the direction the government is going in.

Again quoting Ms Getter: "Community and social services spending, for example, rose by about 28% in 1991-92. Health, education and social services are the areas most subject to uncontrollable cost increases." She refers to the Treasurer, who is announcing spending cuts of sev-

eral hundred million dollars. This has been made on two days running, although he has yet to tell us what that is going to be. He says the reason he is going to do that is to prevent Ontario's deficit from climbing even higher than the \$9.7 billion that was announced in the spring.

1740

It scares us when the Treasurer has given hints that we have a deficit that is even higher than it was in the spring, and he is very vague, several hundred million dollars. We do not know how many several hundred million dollars, but we know at least several hundred million dollars are going to be cut because the deficit has jumped.

Again quoting the article:

"The truth is that large deficits like Ontario's don't stimulate the economy....'Deficits increase the demand for funds in a way that pushes up interest rates'....And high interest rates tend to dampen the economy more than the deficit stimulates it....'You have to start with the view that large deficits are counterproductive to what they are designed to accomplish'....'The high deficit ends up hurting the very people you are trying to help.'"

It has been commented that this bill is a bill to tax the rich. The question is, who is rich? When we start hearing what the higher officials in Hydro are making and some of the amazing salaries that are being made, this bill of course affects cabinet ministers or may affect cabinet ministers. I am not too sure of the tax implications, but it is certainly going to affect them. The cabinet ministers tell us over and over that they are just average people, that they would be making more money outside, and some of them probably can. Some of them cannot, but some of them can.

But the effect of these financial policies is going to be affecting the very people the government is trying to help, people who are looking for jobs, people who are trying to improve themselves. They are leaving the province. They are not buying. They are going bankrupt.

This article in the *Financial Post* states, "Higher provincial taxes will be necessary just to keep Ontario's deficit from running out of control." That obviously is what the government is doing. They are going to tax, tax, tax to stop the deficit from going out of control.

The article goes on, "For that reason Ontario's policies 'will seriously reduce the province's competitiveness and could lead to a loss of investment, output and jobs over the longer term.'" This is from economists from the Royal Bank of Canada. The banks are concerned. The banks spend a lot of money hiring economists and people who have studied the economy in this country, in this province and around the world.

That is what they are saying, and this government should listen to them, because we are going nowhere but to disaster time. It is going to be a disaster. They complain about the GST, and again I hark back to it, when they create these deficits—the Treasurer stated it—some day these deficits have to be paid off. How is the government going to pay them off?

Quoting again from this *Financial Post* article:

"The NDP government in Ontario and its Liberal predecessor, for example, indulged in high spending in the late 1980s and early 1990s and knowingly courted inflation at

a time when the Bank of Canada was trying to contain inflation with high interest rates. Clearly, Ontario's spending policies contributed to higher interest rates which increased business costs and government debt servicing costs."

It is very simple. The effect of the deficit, the effect of the government's taxes is going to affect everything else. I remember a few years ago we were concerned with the high interest rates. Here we have some very highly qualified economists who are stating that the government's policies will lead to higher interest rates and will certainly lead to higher business costs.

Businesses around this province are terribly concerned as to where they are going. They are terribly concerned. Many businesses are going bankrupt. Every once in a while we read statistics about people who are going bankrupt with respect to the costs they have in contributing towards the government debt servicing costs.

These statements that are made—and this is a typical article, just at random. This is an article that came out of the September 16 Financial Post. I do not imagine many members read these things. As to these facts I have given that some members said they were bored with, and I am astounded they would state that because the facts are there. I will repeat: \$507,205 an hour for interest payments alone. It boggles our minds, but that is what the government is doing to this province.

This article talks about the economics around the country. Clearly these articles are all very worried about where this great province is going, how it was once the great province economically and otherwise. I must say there is no longer, I get the sense, the hatred of big, bad, rich Ontario, because we are no longer big, bad, rich Ontario.

I hope that some of the members will go back, when we start voting on these bills, and take a long, hard look at the direction in which they are going. They should listen to what their Treasurer says when he starts cutting back, making the cuts. That is going to be the real key to their success. When they start making these cuts, are they going to be getting a whole other set of people upset with them because of the cuts, because of the promises they made? They are going to have to change their minds. Is it going to be in health? Is it going to be in education? Are they suddenly going to come along and say, "Well, maybe the Conservatives were right?"

Mr Hope: Far right.

Mr Tilson: It is fine for the member to make those remarks in jest, but he should remember to read Hansard when the facts start coming out in a number of months and the disaster is going to strike. He should remember what he is saying and I hope he can try and explain it to his constituents.

Mr Hope: Not a problem.

Mr Tilson: Well, I wish him luck when he starts explaining to them the \$507,205 an hour that the government is spending on interest rates.

Mr Hope: Not a problem.

Mr Tilson: Well, good luck.

I could again refer to other industries that are being affected, industries that are going out of business around

this province, industries that are moving to the United States, businesses to the United States. I repeat, there is no question that part of the reason they are going to the United States is because of other economic influences from outside the country, from outside the province. But economists are saying almost unanimously that the policies of this government are playing a major role in why these industries and businesses are leaving the province and why people are becoming bankrupt and why their quality of life is decreasing.

I can tell members at first hand that specifically in the housing area, when we had people come from outside this country, from outside this province, they said they would not invest a nickel in this province because of their lack of confidence in this government, because of the economic policies it is putting forward and because of the high deficit. Where else in this world is there a deficit jump like what this government has just done? They are spending money like it is going out of style.

The problem in Ottawa was caused by a government that existed in the 1960s. Interest rates have gone out of control, costs have gone out of control, and that is what the government is doing in this province. There is no need for it at all. I want this government to reassess its position. I assume that they are going to have caucus meetings, that they are invited to caucus meetings and will be able to express their views freely. Hopefully they will be persuading their Treasurer and their Premier to change the economic direction in which they are going.

1750

Mr Johnson: The member for Dufferin-Peel made many comments and used many facts that were not exactly correct. I think he said that—well, let me put it this way: This member was with me and we listened to some experts on the economy talk about deficit spending during a recession. It just depends on what expert economists you are listening to, because there is a group that thinks it is very good to spend during recessions and there is a group that would also say it is very good to spend during recessions but that the practice has not been in place or it has not been widely used for a long period of time.

The member read some things from the papers that would suggest that these people who have written in the papers are correct. I do not know that this is true. The amount of increase being a disincentive to stay in Ontario, if examined more closely, is not correct. Presently the marginal rate of Ontario income tax for those having high income is a little over 15 cents on the dollar. The existing surtax increased this marginal rate for the highest, richest taxpayers to just over 16.5 cents on the dollar, and if this bill becomes law, the top marginal rate for those Ontarians having the richest income will rise to just under 17 cents on the dollar. That is for 1991. In 1992, it will be 17.1 cents. So this disincentive to remain in Ontario is 0.6 of one cent on each dollar. Is that a disincentive for being in Ontario for those people who have to pay the little extra? I think that is not a good enough reason, quite frankly.

They wanted us to harmonize the PST with GST. There is half a billion dollars versus the \$1 billion they talk about.

The Speaker: The member's time has expired. Further questions or comments?

Mr Phillips: I would like to comment on the member's speech. I realize the government members may not like to hear the statistics, but I think they are actually quite important. It is sometimes tough to humanize them, but I think the member is correct. I do not think we will find an economist who will now agree with the budget and the tax policy. Even when we had before our legislative committee the 58 economists who supported a part of the budget, they said—I think it was Professor Watkins—it is crazy to continue to run deficits like this budget does. He said: "I don't agree with that. It's fine in a recession to have a one-year or two-year deficit, but it's crazy to run that kind of long-term deficit."

The members should not be misled by Professor Watkins's apparent support of the budget, because if they read Hansard they will see it is wrong. I think they will find that the statistics that the members quoted are very accurate and facts are facts. I do not think they will find that there is an economist who would today say this budget is going to be helpful to the province of Ontario.

The government members may find, as I am certain the cabinet has, the budget is beginning to unravel. Frankly, I feel sorry for the Treasurer, who is clearly an honourable individual who is doing his best, but the budget is beginning to unravel. We will find over the next few months that many of the predictions that the member has made will come true. He is trying to raise with the government members the need to change their minds. They have made a mistake. They may not like to admit they have made a mistake, but they will ultimately have to admit they made a mistake. They are far better to do that sooner rather than later and get on with running the province the way it should be.

Mr Harris: I want to say to the member for Dufferin-Peel how much I enjoyed his comments, both those that I saw on my monitor before I was able to get here and those that I heard once I was here. I think the facts do speak for themselves. I want to comment on the comments as they relate to the member for Dufferin-Peel's comments that were made by the member for Prince Edward-Lennox-South Hastings. They talk about, "Oh, it's only 0.6 of a cent, it's only point this, it's only one point here, it's only this little thing." Of course, this is the problem; it is the cumulative effect of the cent here and the cent there. You get 100 different laws and 100 different taxes; that is 100 cents and there is nothing left. When you are paying 100%, 0.6 is enough to say: "That's it. I'm out of here. I'm gone." This is what is happening.

The second fact that is indisputable is that capital entrepreneurs, investors, are indeed fleeing this province. They are afraid of the future. They are concerned about their children. I hear people come to me and say, "We are really concerned about the future for our children and we think the best thing we can do for them is get them a green card in some other country anywhere in the world, whether it is the United States or anywhere."

When I spoke to a group of university students last week at the business school of the University of Waterloo, basically the thrust was, "There are opportunities all around the world for us." The professor was afraid of that. Their concern was they do not think they are going to be here in Ontario. That is their concern. That is what we are fighting for, that is what the member for Dufferin-Peel is fighting for.

By way of conclusion, I understand that government members do not understand this. We know that, or they would not stand up and vote for this silly stuff. We understand that they do not understand the facts, but surely it is our obligation to keep trying to bring this forward in different and in better ways, to get through their heads what is happening in this province.

Mr Hope: There were a lot of figures laid out and a lot of us are familiar with them. The figures that a lot of us are more familiar with are the weekly paycheques we used to receive, and we used to find out about the taxation.

A lot of us clearly understand what is going on, but when I hear the comments that are put out about, "The company is not sure; they are leaving and going away," they only have one individual in mind. We forget about those workers who may be affected, we forget about those family members who are affected. We hear the comments about, "We've got to cut spending, we've got to do this and we've got to do that." Well, we inherited a lot.

Members opposite put the comment that, "Well, the Liberals were in before the Conservatives." It is amazing how we did so badly in one year. How many years have we had a Conservative regime in the federal government?

I think it is very important what we are trying to do through the worst economic times we are faced with. People have been victimized by the governments for the last 10 years or more and they are asking for help of this government to get them back on their feet. There is only one good investment right now. It is to help out the working citizens of this province.

If we help out the farmers in my community, they generate dollars and generate business and generate the economy and generate the investments. If I put money back into investment in properties and back into the industries that are around us, we are putting investment into the people, because those people are going to spend.

If the members opposite want to talk about creating investment in Ontario, if you and I, Mr Speaker, are spending our paycheques, let me tell you, there are going to be people out there, little entrepreneurs who are going to see a potential market. What they will do is build a factory and sell that product for you. They will service your needs.

The Speaker: The member for Dufferin-Peel has up to two minutes to respond.

Mr Tilson: Certainly one of the areas that I spent many of my remarks on and which there have been responses to is the whole philosophy of deficits. The member for Prince Edward-Lennox-South Hastings and I did attend a session together where we did the opposite philosophies. I think the real question we need to ask is, how are we going to pay it back? Where is the money going to come from?

I would like to take the little time that has been left to me to refer to correspondence that was sent to the Treasurer, with a copy to the Premier, by a well-known business in this province, Weall and Cullen. Mark Cullen, the president of this firm, wrote to the Treasurer back at the time the budget was put forward, and he said:

"I am writing to express my deep disappointment in last week's Ontario budget. While I have no argument with the principle of helping the underprivileged and protecting the environment, my complaint is that a \$10-billion deficit in one year is absolutely unforgivable. Your children, my children, and our grandchildren are going to pay for that. In time, the deficit that your government is running up today will have to be paid for by someone, somehow. What kind of legacy do you think this is to the next generation? How do you suppose we are going to pay for all that debt? Please,

Mr Laughren, answer one question: Where will the money come from?"

That is the question, obviously, with respect to Bill 83, and I hope the government decides to withdraw it.

Mr Wessenger: I just noticed I have only a few minutes to speak today, but sitting here listening to the comments from the third party, I almost think I am in a time warp and I belong in the 1930s. I have not heard such comments since the time of Herbert Hoover, although we had them brought back with Ronald Reagan recently.

The Speaker: Would the member resume his seat. When the debate is resumed on another occasion, he will of course have the floor.

The House adjourned at 1800.

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Transportation/Ap du ministre des Transports

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Drainville, Dennis (Victoria-Haliburton ND) PA to Minister of
Municipal Affairs; Chair, select committee on Ontario in
Confederation/Ap du ministre des Affaires municipales,
président du Comité spécial sur le rôle de l'Ontario au sein
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Energy/Ministre de l'Énergie

Fletcher, Derek (Guelph ND) PA to Minister of Consumer and
Commercial Relations/Ap du ministre de la Consommation
et du Commerce

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Grandmaître, Bernard C. (Ottawa East/-Est L)

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Huguet, Bob (Sarnia ND) PA to Minister of Energy/Ap du ministre de l'Énergie

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Johnson, Paul R. (Prince Edward-Lennox-South Hastings/Prince-Edward-Lennox-Hastings-Sud ND)
PA to Minister of Revenue/Ap du ministre du Revenu

Jordan, W. Leo (Lanark-Renfrew PC)

Klopp, Paul (Huron ND) PA to Minister of Agriculture and Food (food)/Ap du ministre de l'Agriculture et de l'Alimentation (alimentation)

Kormos, Peter (Welland-Thorold ND) Chair, standing committee on resources development/Président du Comité permanent du développement des ressources

Kwinter, Monte (Wilson Heights L)

Lankin, Hon/L'hon Frances (Beaches-Woodbine ND)
Minister of Health, minister responsible for the provincial anti-drug strategy/Ministre de la Santé, ministre déléguée à la Stratégie antidrogue provinciale

Laughren, Hon/L'hon Floyd (Nickel Belt ND) Deputy Premier, Treasurer of Ontario and Minister of Economics/Vice-premier ministre, Trésorier de l'Ontario et ministre de l'Économie

Lessard, Wayne (Windsor-Walkerville ND) PA to Minister of Colleges and Universities/Ap du ministre des Collèges et Universités

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Malkowski, Gary (York East/-Est ND) PA to Minister of Citizenship, responsible for human rights, disability issues, seniors' issues and race relations/Ap de la ministre des Affaires civiques, déléguée aux Droits de la personne, aux Affaires des personnes handicapées, aux Affaires des personnes âgées et aux Relations interraciales

Mammoliti, George (Yorkview ND) PA to minister responsible for the provincial anti-drug strategy/Ap de la ministre déléguée à la Stratégie antidrogue provinciale

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- Ward, Margery (Don Mills ND) PA to Minister of Government Services/Ap du ministre des Services gouvernementaux
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- Warner, Hon/L'hon David** (Scarborough-Ellesmere ND) Speaker; Co-Chair, special committee on the parliamentary precinct/Président, coprésident du Comité extraordinaire de l'enceinte parlementaire
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- Wessinger, Paul (Simcoe Centre/-Centre ND) PA to Minister of Health/Ap de la ministre de la Santé
- White, Drummond (Durham Centre/-Centre ND) Vice-Chair, standing committee on the Ombudsman/ Vice-président du Comité permanent de l'ombudsman
- Wildman, Hon/L'hon Bud** (Algoma ND) Minister of Natural Resources, minister responsible for native affairs/Ministre des Ressources naturelles, ministre délégué aux Affaires autochtones
- Wilson, Hon/L'hon Fred** (Frontenac-Addington ND) Minister of Government Services/Ministre des Services gouvernementaux
- Wilson, Gary (Kingston and The Islands/Kingston et Les Îles ND) PA to Minister of Culture and Communications/ Ap de la ministre de la Culture et des Communications
- Wilson, Jim (Simcoe West/-Ouest PC)
- Wininger, David (London South/-Sud ND) PA to Attorney General, PA to minister responsible for native affairs/Ap du Procureur général, ap du ministre délégué aux Affaires autochtones
- Wiseman, Jim (Durham West/Durham-Ouest ND) PA to Minister of Correctional Services/Ap du ministre des Services correctionnels
- Witmer, Elizabeth (Waterloo North/-Nord PC)
- Wood, Len (Cochrane North/-Nord ND) PA to Minister of Natural Resources/Ap du ministre des Ressources naturelles
- Ziemba, Hon/L'hon Elaine** (High Park-Swansea ND) Minister of Citizenship, minister responsible for human rights, disability issues, seniors' issues and race relations/Ministre des Affaires civiques, déléguée aux Droits de la personne, aux Affaires des personnes handicapées, aux Affaires des personnes âgées et aux Relations interraciales

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Co-Chair/Coprésident: Noel Duignan

Members/Membres: Dianne Cunningham, Remo Mancini, Kimble Sutherland

Clerk/Greffier: Smirle Forsyth

CONTENTS

Wednesday 25 September 1991

Members' statements

Hugh McDonald	2497
Mr Daigeler	
Land registration	2497
Mr Jordan	
Police services	2497
Mr Sutherland	
Waterfowl hunting	2497
Mr Poirier	
Nursing homes	2498
Mrs Witmer	
United Way campaign	2498
Mr Hope	
Ontario Hydro rates	2498
Mr McGuinty	
Alternative fuels	2498
Mrs Marland	
Canadian Football League	2499
Mr Morrow	

Statements by the ministry

Alcohol and drug treatment	2499
Ms Lankin	

Responses

Alcohol and drug treatment	2500
Mrs Sullivan	
Mr Bradley	
Mr Eves	
Mr Harris	
Expo 98	2501
Mr Ruprecht	
Visitor	2501
The Speaker	
Rent regulation	2501
Ms Akande	
Visitor	2503
The Speaker	

Oral questions

Budget	2502
Mr Elston	
Mr Laughren	
Rent review	2503
Mrs Marland	
Ms Gigantes	
Assisted housing	2505
Mr Harris	
Ms Gigantes	
Labour disputes	2505
Mr Offer	
Mr Silipo	
Labour legislation	2506
Mrs Witmer	
Mr Mackenzie	

Forest management	2506
Mr Martin	
Mr Wildman	
Ontario Hydro rates	2507
Mr Conway	
Mr Laughren	
Ontario Human Rights Commission	2507
Mr Cousens	
Ms Ziemba	
Assistance to farmers	2508
Mr Hansen	
Mr Buchanan	
Automobile insurance	2508
Mr Scott	
Mr Charlton	
Mr Tilson	

Petitions

Landfill site	2510
Mr Beer	
Health insurance	2510
Mrs Witmer	
Taxation	2510
Mr Abel	
Chronic fatigue and immune dysfunction syndrome	2510
Mr Carr	

Reports by committees

Standing committee on government agencies	2510
Mr Runciman	
Deemed adopted	2510

First readings

Provincial Budget and Fiscal Policies Referendum Act, 1991, Bill 138	2510
Mr Harris	
Agreed to	2511

Second readings

Income Tax Amendment Act, 1991, Bill 83	2511
Ms Wark-Martyn	2511
Mr Cousens	2511
Mr Hope	2515
Mr Conway	2516
Mr Tilson	2516
Mr Mammoliti	2516
Mr Johnson	2516
Mr Bradley	2519
Mr Sutherland	2523
Mrs Sullivan	2523
Mr Phillips	2532
Mr Harris	2532
Mr Wessenger	2533
Adjourned	2533

Lists of members

Members and their responsibilities
Committees of the Legislative Assembly

TABLE DES MATIÈRES

Le mercredi 25 septembre 1991

Déclarations des députés

Chasse à la sauvagine	2497
M. Poirier	

Première lecture

Loi de 1991 sur les référendums concernant les politiques fiscales et les budgets provinciaux, projet de loi 138	2510
M. Harris	
Adoptée	2511

Deuxième lecture

Loi de 1991 modifiant la Loi de l'impôt sur le revenu, projet de loi 83,	2511
M ^{me} Wark-Martyn	2511
Débat ajourné	2533

Listes des députés

Les députés et leurs responsabilités
Comités de l'Assemblée législative



59 1991

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Legislative Assembly of Ontario

First Session, 35th Parliament

Official Report of Debates (Hansard)

Thursday 26 September 1991

Assemblée législative de l'Ontario

Première session, 35^e législature

Journal des débats (Hansard)

Le jeudi 26 septembre 1991



Speaker
Honourable David Warner

Clerk
Claude L. DesRosiers

Président
L'honorable David Warner

Greffier
Claude L. DesRosiers



Table of Contents

Table of Contents for proceedings reported in this issue appears at the back, together with an alphabetical list of members of the Legislative Assembly of Ontario.

Reference to a cumulative index of previous issues may be obtained by calling the Hansard Reporting Service indexing staff at (416) 325-7400.

Table des matières

La table des matières des séances rapportées dans ce numéro se trouve à l'arrière de ce fascicule, ainsi qu'une liste alphabétique de députés de l'Assemblée législative de l'Ontario.

Il existe un index cumulatif des numéros précédents. Les renseignements qu'il contient sont à votre disposition par téléphone auprès des employés de l'index du Journal des débats au (416) 325-7400.

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LEGISLATIVE ASSEMBLY OF ONTARIO

Thursday 26 September 1991

The House met at 1000.

Prayers.

ORDERS OF THE DAY

PRIVATE MEMBERS' PUBLIC BUSINESS

VIOLENCE AGAINST WOMEN

Ms Harrington moved resolution 22:

That, in the opinion of this House, the time has come for a fundamental assessment of provincial policies and practices concerning violence against women, therefore the Office Responsible for Women's Issues should undertake a thorough review including: (1) the rights of people accused of assault to function in a manner that could be considered dangerous to members of society, (2) the causes of violence against women and how the legacy of violence can be stopped, (3) the effectiveness of education programs and how they can better serve victims of violence, and (4) the accessibility of shelters for battered women and the need for shelters in all communities.

The Acting Speaker (Mr Villeneuve): Pursuant to standing order 94(c)(i), the honourable member has 10 minutes for her presentation. Following the completion of the remarks of the member who has moved the motion, the debate will proceed with members of the various parties speaking in rotation. Each recognized party in the House is allotted a period of 15 minutes to debate the item of business. Debate will proceed in clockwise rotation among the parties until the time allotted to the parties has expired.

The mover of the motion may speak a second time during this period in the time provided for her party. The mover of the motion has two minutes in which to reply. The time remaining for each party and for the member who moves the motion to speak initially to the motion or reply to the debate will be indicated on the Legislature timer display.

Ms Harrington: Mr Speaker, I thank you for the opportunity to put forward this resolution to the House, which is both timely and far-reaching.

At the end of my presentation, I would ask the House for consent to omit clauses 1, 3 and 4 because, since this resolution was written last June, I have decided I want to deal basically with the big picture without focusing on specific parts of this.

This government was formed last October with a very strong mandate and a commitment for social change, equality and social justice. We have seen many examples of that over the past year. We have seen the rights and services for disabled people improved, self-determination for native people initiated, protection for tenants legislated and proposed labour reform has been started. I believe our agenda has moved ahead considerably. But even more than that, I believe that in one year there has been a significant change in attitude in Ontario and I really want that to continue.

If members remember back almost a year ago, in the throne speech we made a commitment as a government, and I will quote that exactly to you. It says the government will "deal resolutely with violence against women and children. It is time now for society to come face to face with this reality."

Now, one year later, I want to refocus that commitment. That is exactly why this resolution is here before us so that all of us, I hope on all sides of the House, can work together to make sure that goal is clearly accomplished. This past year has been a time of transition, and as we have said in this House, a time of coming to grips with very difficult economic realities. There are huge challenges and I would like to set this resolution in the context of what we face right now.

We as a government must evaluate and control the huge spending increases that have taken place in the last decade in health, education and social services. On top of that challenge, we have the massive restructuring of our manufacturing sector that is taking place around us whether we like it or not. The very heart of Ontario's economic machine is changing, and if that were not challenge enough we face a third challenge, Ontario's role in the new Constitution for Canada.

In these times of personal stress and economic strain everywhere in the province, we cannot leave out progress towards equality for women. Will it be seen as unimportant when the government's efforts must go to economic renewal? That is the question. Will women be seen as a drag on society or as a vital part of the economy in which they can help Ontario grow? I believe it is important, now more than ever, to bring women as full partners into the economic life of Ontario, so I would ask us all here to come to that face-to-face reality we talked about in the throne speech knowing that it is a very difficult, ugly and sensitive subject, that reality of violence against women.

I believe there are actually two realities, first of all, the reality of newspaper headlines which we all know about: 18-year-old Nina DeVilliers disappeared while jogging near her family's recreation club. The dismembered body of Burlington teenager Leslie Mahaffy was recovered encased in concrete from a lake. In January, 29-year-old Dr Carolyn Warrick was beaten to death virtually within view of security cameras in the basement of her Bay Street condominium building just one block from Queen's Park. I remember that night of January 27 because it is my son's birthday and I live in the building right next to Carolyn Warrick's. My family was visiting that night and we had ordered in Chinese food while she was being murdered.

There is another reality besides the headlines. The other reality is the one we do not hear about. Maude Barlow is a woman who speaks to many high school audiences about women's issues. One engaged teenage girl said to her, "My father beats my mother, my uncle beats

my aunt, my grandfather beats my grandmother; I didn't know there was any other way."

1010

On an August holiday weekend in 1990, I went to the local police station with a young woman I will call Ruth to help her deal with a complaint against two police officers. We had to take along her six children who were under the age of eight. Her husband beats her. She has been forced to flee to the local women's shelter before. Although ordered to pay support by the court, he refuses to pay. The support and custody enforcement office has such a backlog that Ruth's file has been on record for five years and has not yet been processed. She is trapped in the welfare system in Ontario Housing. She is a victim of frequent violent assaults. She has no feeling of security from police protection.

What happened in this case is very similar to many other cases, and I would like to add that where Ruth lives, what has happened to her has affected many of her neighbours as well. Women have become demoralized, discouraged and rendered powerless because they are poor. They live in public housing because they are women. When women are victimized and powerless, they rarely fight back. In this particular case, she declined to take any further action on her own behalf to follow up on the complaint. These women simply endure.

I would put to this House that this is a waste of human resources. Besides, as everyone in this province will tell you, it is a drain on our tax system. What is violence against women? Let's just state it clearly: it is a soul-destroying subordination, a loss of control of one's life, a loss of dignity, a feeling of entrapment, and the horror of living with constant violence. In the first reality of the newspaper headlines, people can say these are just isolated cases of psychotic killers, but with a second reality we cannot say that.

I would like to close this portion of my remarks by looking at the lesson of Montreal. On the evening of December 6, 1989, students were given their end-of-term papers in a quiet classroom in École polytechnique. A killer separated 14 young women from the men, called them feminists and shot them.

Anger and grief followed across Canada. Canadians struggled for the meaning of this act. Is it symbolic and symptomatic of our society that it fears or possibly hates women? Is there misogyny in our society?

Here is one analysis by the Canadian Auto Workers. What if a gunman walked into the middle of a bargaining session, asked management to leave, called the others a bunch of workers and executed them? The question of political versus personal would not arise. In Montreal it is not simply a personal act of madness. We must examine our collective conscience about the attitudes of society and we, as the leaders of this government in this province and on all sides, must be the first to do it.

Sexism is a deeply rooted refusal to acknowledge value and incorporate women's reality into the philosophy, practice and organization of society. When women's perspectives are undervalued, then it is easy to have violence, injustice, exploitation and the silencing of women, if condoned. Let's have the courage to speak out against overt and covert sexism, starting with the simple jokes and

pinups in the workplace and going all the way to the laws of this land.

Ms Poole: I am very pleased to rise today to support this sensitive and thoughtful resolution by the member for Niagara Falls. There are two reasons why I am delighted to speak to this resolution. One goes to the fact that I am the newly appointed critic for women's issues for the official opposition, but perhaps more important is the passion I have for this particular issue and our attempts to find resolutions to it.

As a woman and as a Liberal, I am particularly proud of the steps our party took while we were in government to change the public's perceptions about violence towards women. Because of that commitment, more and more people have finally realized that wife assault and sexual assault indeed are crimes.

I am sure all members remember the powerful TV commercials on wife assault that our government produced. These ads made it very clear that wife assault is not a private family matter; it involves all of us. There is no excuse for it and it is a crime.

In addition to the massive public education campaigns, we took concrete, immediate steps to help victims of wife assault. The decision to give priority status to victims of wife assault who apply for public housing is just one example.

In January 1990, we began an ambitious program to address the issue of sexual assault. Almost \$30 million was allocated over five years to expand services to victims of sexual assault, to improve the justice system's response to the crime and to encourage public education and prevention.

I am delighted to see that this government today has expanded upon this commitment and that today \$14 million is being committed to these programs. However, if one looks at \$14 million in the context of the \$52 billion we spend annually with our provincial budget, perhaps that puts it in perspective. No matter how much we do, there is much more left to be done.

I believe the extent of violence against women truly is one of the most serious challenges facing our society today. Women do not always think about the threat of violence as they go about their daily lives, but the threat is always there. Action to stop wife assault and sexual assault is crucial if women are to move towards full equality. If you cannot even feel safe in your home and in your community, where can you? How can you reach your full potential as a person when operating under these circumstances?

Rarely a day goes by that we do not hear reports of sexual and physical assaults against women and girls. Unfortunately, those assaults that we hear about are only the tip of the iceberg. According to one study, almost 87% of sexual assault victims do not report the crime to the police, and a further 12% tell no one at all. The crimes that we hear about actually make up only a small fraction of what is going on.

Most studies of this problem come up with the same finding. One in four women is sexually assaulted at some point in her life. Half of these women are assaulted before the age of 17. I find those statistics absolutely frightening, and to those people, those naysayers who think these are

gross exaggerations, I say study after study is showing they are indeed facts. Every 17 minutes there is a sexual assault committed in Canada; 90% of the victims are female and 99% of the perpetrators are male.

The number of men who have been sexually assaulted is lower. Estimates vary from roughly one in five to one in seven. However, these assaults largely occur to males under the age of 13, to children. Women, on the other hand, are sexually assaulted at any age. In approximately 95% of the cases of sexual assault of men, the offender is also male. But regardless of the different rates of risk, the effects of sexual assault on female and male adults and on children are extremely serious and can be equally damaging.

Every woman in our society can be at risk of assault. Contrary to what most people think, there is no one type of woman who is assaulted. The vast majority of women who are assaulted suffer at the hands of somebody they know. In fact, at least one woman in eight in Canada, it is estimated, is assaulted by her husband or partner. What is truly appalling is the finding that a woman is hit by her husband or partner an average of 30 times before she even calls the police.

As shocking as these statistics are, it is easy to believe they do not really apply to anybody we know. But I think if we look closer to home, we will find that may not be true. We have 28 women members of this House. Think of it. According to most statistics, that means seven of us have been or will be sexually assaulted at some point in our lives.

1020

Violence against women is widespread and systemic. It cannot be solved by simply checking the offenders into alcohol treatment programs or group therapy or by instructing women in the art of self-defence. They are valuable tools, of course, but they do not get at the underlying reasons for violence.

I really welcome the resolution the member for Niagara Falls has put forward. It is time that we assessed and reviewed the policies we have put in place to see if they are truly effective and to see if they are really working.

For instance, take a look at the vast array of ministries involved in programs relating to violence against women and sexual assault. There is a myriad of programs, in the ministries of the Solicitor General, Health, Community and Social Services, the Office of Francophone Affairs, Northern Development and Mines, the Ontario women's directorate, the ministries of Education, Colleges and Universities and Correctional Services.

On the one hand I think it is extremely positive that so many ministries in our government have been taking steps to sensitize them to the problem and to make sure their ministries respond to it, but on the other hand perhaps it is time we assessed whether the interministerial approach should be re-evaluated. For example, the Ministry of the Solicitor General is currently responsible for 21 existing rape crisis and sexual assault centres. I have always wondered why this was the purview of the Solicitor General's office as opposed to Comsoc, and perhaps that is something we should be looking into.

I believe that item 2 of the resolution by the member for Niagara Falls points to the crux of the issue: What are the causes of violence against women and how can this legacy of violence be stopped? Looking after the immediate needs of victims obviously has to be of the highest priority, whether it means providing shelter, emergency assistance, counselling, legal assistance or helping the victim make a new start. However, the only way we can ultimately put a stop to the legacy of violence is to attack the problem at its source.

When I was preparing my notes for today, I tried to list the various reasons why men commit acts of violence against women. I think part of it is the sociological implications: how boys are raised; their attitudes towards having to be tough and macho; their affinity for bodily contact in sports such as football, hockey, boxing and wrestling. There is another thing that I believe; that is, that it is the reinforcement of traditional sexual stereotypes. When people say to me, "As a woman member you are making a fine role model for your daughter," I say, "Equally important to me is I hope I am making a fine role model for my son." That is where the hope really lies, with our children.

Excuse me; I have been battling a cold all week. This issue was of such importance to me that even if my voice sounds like a cross between Elmer Fudd and Bugs Bunny at times, I did want to speak to this.

There is a well-known song by Harry Chapin which some members may have heard of. It is called *Why Little Girls Grow Crooked, Why Little Boys Grow Strong*. There are a couple of lines in there that talk about how girls are taught to reach the shelves, boys to reach the stars, and how girls are taught to take the messages while the boys take the calls. I am glad to say that much of that is changing, but there is still a lot of work to do in that area. It all goes back to what the member for Niagara Falls referred to about the gender power imbalance and control. It goes to cultural attitudes; it goes to the increasing pressures in our society and how we cope with them.

Violence against women is a difficult issue for all of us, whether we are male or female, but one concern I have is that by its very nature it tends to polarize men and women. Just think about it: the victims are women and 99% of the perpetrators are men. My heart and sympathy go out to any woman or child who has been a victim of violence. I can understand why the trauma of a violent experience might make a woman who has been brutalized by one man distrustful of all men, but maybe the rest of us do not have that same excuse. There are things we can do.

It has been quite disconcerting to me that a number of men have approached me in the past months—these are men whom I consider to be allies for women in our fight for equality, very sensitive men who are the last to condone violence—and they are saying they feel like criminals. With the barrage of figures on sexual assault and violence against women, men are feeling increasingly vulnerable because some members of their gender are committing these crimes.

I have three stories I would like to relate to the members which I think illustrate the point.

The first is at a conference in Banff, Alberta, and the members may remember reading about this in the newspaper. A leading feminist from the United States was visiting, and in her remarks she said the ultimate way to deal with violence against women is, "If necessary, we will take to the streets with guns ourselves and shoot them down." I cannot condone that. Violence against violence is not solving the problem.

The second relates to the tragic massacre at École polytechnique in Montreal almost two years ago. There was a lot of grieving in the period following those massacres. Maybe I should say, first, that I am a feminist and I am proud to be so, but to me there was some shame in my heart when at some of these vigils women denied men the right to grieve with us.

The final story I have to tell would, I guess, be funny and humorous if it were not so sad. It relates to the program "Wife Assault is a Crime." I think the members will remember the ads several years ago—very effective, hard-hitting ads. Several of the ads were geared towards victims, and women as victims. At the end of the ad it would say: "Help is waiting for you. If you are a victim of sexual assault or wife assault, please call this 24-hour toll-free number and we will get help to you."

On the other hand, they had another set of ads that were geared to the perpetrators, the male offenders. The ad, in a very effective way, put across that wife assault is a crime. At the end of these ads, there was a statement, "If you are a male perpetrator and you need help, please write Queen's Park," and they gave the address. To me, it does not make any sense. You have an ad telling somebody that if they have done this they are a criminal, "but please write to us so that we can indict you with your own words."

My point, which I am not sure I am getting across, is that we have to look not only at the victims, which has to be a priority in dealing with this, but also at the perpetrators to make sure they get the counselling necessary so that these crimes do not recur. They cannot write Queen's Park. They need help as well.

My final point is that men and women must work together. It does not do for any of us, feminists or not, to blame all men as a sector. What we have to do is recognize the men—and many of them are in this House today—who have fought beside us, women, in our march towards equality. The important thing is to work together. When it all is said and done, the important thing is to solve the problem of violence against women.

Mrs Witmer: It is a pleasure to participate in the debate on the motion put forward by the member for Niagara Falls.

1030

It is absolutely essential that a thorough and complete review of this issue of violence against women be undertaken as soon as possible. I can assure members that this is a priority not only for myself but also for the PC caucus and for the members of the general public as well. Women and men—and I think it is extremely important that we do include the men—are more concerned than ever today

about violence against women and they are more anxious than ever to stop this legacy of violence.

Indeed, in the recent Take Back the Night rally in Kitchener-Waterloo, approximately 500 women and children marched in the largest rally ever. They marched to express their outrage against sexual violence. The participants were as young as seven years old and as old as 72.

Why were there so many women and children at this rally? They indicated that they joined the march because the killings and the court decisions of this past summer left them feeling fed up. They indicated that they were there because they are angry. They can no longer walk on the streets of our cities and our towns without inordinate fear.

Yes, if you take a look at the polling, it shows that violence against women is uppermost in the minds of women. Violence and the fear of violence are depriving women of their ability to achieve equality in this country. It is a violation of a fundamental human right.

Although most violence against women has been invisible and unrecorded, the truth is slowly coming to light. The K-W sexual assault support centre received 221 crisis calls in the month of January this year.

However, the biggest problem still remains underreporting. Many women are afraid to go to the police because they feel the police response will be negative and that they will be further victimized by the courts. Fortunately these negative police attitudes are changing. However, more must continue to be done to increase the understanding of rape victims' needs and feelings.

Although the true numbers of women who are victims of violence may never be known, the estimates today paint a shocking picture in Canada. They indicate that over 90% of sexual assaults involve female victims. Did members know that 50% of women are afraid to go out after dark in their own neighbourhoods and at least one in four women will be sexually assaulted in her life?

Unfortunately it has consequences for the children, because children who witness the assault of their mothers have problems similar to children who are themselves physically abused, and sons of batterers are 10 times more likely to beat their wives than those who have not witnessed this behaviour. Unfortunately, violence breeds violence.

It is time, as the member has said, to examine the root causes of violence against women. There is presently very limited research on the underlying causes of violence against women. It is known that male abusers do grow up believing they are the ultimate authority in the household. They learn very early in life that to show any emotion whatsoever is a weakness. They are to be strong and aggressive.

As well, violence against women is linked to economic inequality between the sexes. The economic consequences of going out on their own have deterred many battered women from leaving an abusive partner. Women who leave an abusive situation often face the prospect of poverty. This must be eliminated.

This government must raise the profile of women's issues. It is of utmost importance to our caucus and we have tried on several occasions to introduce legislation that

will assist victims of violence. It is unfortunate that our initiatives have been rejected.

This government must combat the attitudes and the stereotypes that encourage and excuse this senseless violence. They must ensure that the brutal people who commit these crimes are held accountable. They must provide help to the innocent victims.

Yes, I welcome this thorough review and this assessment of the provincial policies and the practices. Women cannot achieve equality in our society unless violence against women is eliminated, and I would encourage all men and women in this House and men and women throughout this province to join in that fight to truly, once and for all, eliminate violence against women.

Mr Mills: It is a pleasure for me to take part in this debate here this morning and perhaps offer a different perspective on it.

As some members may know, I spent over 20 years as a police officer in Canada and investigated and had the opportunity to look into many cases of violence against women. I remember the first time this unfortunate chore fell upon me was in the 1950s. In the 1950s we all had that chromium kitchen set. I remember going to this house, and I can see it in front of my eyes as I stand here today. This person had torn the legs off the chrome table and thrown them through the kitchen wall like darts. The lady had a huge lump on the side of her face.

In those days, we called those domestic disputes. The action for the police was, believe it or not, that we provided protective custody for the husband overnight, waiting for the victim to go in the morning before a justice of the peace to lay an information so that we could proceed in the courts with an assault case. But, as members know, the wives did not do that. They were frightened. They did not go forward because they knew that once they did that and the summons was issued, the man would be free to go home and beat the daylight out of his wife and she would leave and have nowhere to live.

Unfortunately that blight on society in the 1950s is also a blight on society in the 1990s. All forms of sexual assault against women, whether it be violence, whether it be sexual, whether it be degrading material or making women perform lewd acts, has got to stop. I think our government is really committed to doing that.

What bothers me most is that in these economic tough times, when we are looking at programs and where we can best spend our dollar, the government is committed to spending over \$14 million in 1991-92 to educate people in what I consider is a basic obligation to treat other human beings in a respectful way. It is a sad measure of society when we have to spend all of this money to teach people to behave right. I think that is absolutely a sad measure of what goes on in Ontario today.

I could stand here and speak of the initiatives of the Solicitor General's office, and there are many. We have provided core funding for sexual assault centres. We have expanded 10 sexual assault centres. We have crisis counselling, diverse community outreach and regional sexual assault centres, and perhaps above all, we are trying to educate policemen in a way to respond to the needs of

victims of violence, and particularly women. I know that the Ontario Police College at Aylmer now has a course specifically geared to educate police officers in this very delicate and sensitive issue.

I thank the member for Eglinton for her comments, particularly about the fact that she feels some of the things we do at the Solicitor General should be in Comsoc. I have some empathy with that decision, because it makes a great deal of sense to me. I would be pleased to take her concerns to the minister and maybe we can generate some discussion.

I could go on and on at length. I have a deep empathy with this situation through my experience, but in deference to my colleagues who also want to partake in this debate, I will leave it at that and thank the other members for their participation.

1040

The Acting Speaker: I believe the Liberal official opposition has used up all of its time. Further debate on behalf of the Progressive Conservative caucus?

Mr Jackson: Let me start my brief comments this morning by saying those who have watched the work I have done in this House for the last three sessions would be aware that this is the one issue which I have persistently and consistently been discussing before this House. I see the member for Cambridge is here. He is very much familiar with the four or five private member's resolutions I have tabled in this subject area.

What I am about to say may offend a few people, but I believe it with all my heart. If there were ever issues in this country and in this province that do not need studying, they are the issues contained in this resolution. Never before in the history of this province have we had a cabinet that had within its membership more people who understood at first hand this issue, and yet we are being told today that we need further study.

I could use up the next eight minutes just reading into Hansard the lists and the titles of all the studies that have been done on domestic violence, incestuous violence, violence against children, offences against women. Yet we are told today somehow that we need to study this. I can assure members that we do not need to study it on this side of the House, and I am at a complete loss today to understand why the cabinet of this Premier needs to study this issue.

I hope to lay out a couple of concerns with this resolution in terms of the kinds of things we are about to study, first, "the rights of people accused of assault to function in a manner that could be considered dangerous to members of society."

On the one hand, for example, we have heard a policy initiative from this government that Comsoc is considering opening up some of the regulations in the Young Offenders Act. Yet on the other hand, we know that we are putting back out on to the street violent criminals, even though the crime occurred at a juvenile stage, but they are now being released as adults. They get the right to reject any kind of therapy, any kind of support. We know that is a serious problem, and I raised the issue of the young lad who was

released out into the community of Oakville and Burlington after murdering his entire family.

We are going to study "the causes of violence against women and how the legacy of violence can be stopped."

We had enough information on this whole subject. It has been the subject of two resolutions in this House in the last seven years that I have been here. I can tell members that when I was working with my colleague Richard Johnston, I put forward a resolution that in education we have to start reforming the program needs of children so that we do not develop inappropriate models for our children, because a lot of it is based on not only public through the media, but also through some of the educational programs that are in our schools.

We resolved two and a half years ago that the ministry had a 14th goal, that education develop an awareness of those stereotypes and assumptions that contribute to the unequal position of women in contemporary society, and I can tell members that when I have asked the subsequent Education ministers about the resolution I tabled, we have had no meaningful action on that agenda item.

Violence in our schools is a serious problem. Do we have a task force looking into that? We have received all the reports from the teachers' federations on this. It is occurring today in our schools.

We are going to look at "the effectiveness of educational programs." I appreciate the brutal honesty of the member for Eglinton to say how concerned she was that after spending some \$2 million on advertising that hitting your wife is a crime in this province, you phone to get help, only to be put on hold. In this province, 10,000 women seeking help with shelters were denied access last year. Why do we need to advertise for them to pick up the phone? What we need is shelters, which is the fourth thing we are going to study, "the accessibility of shelters."

We have all the numbers. I can tell members that in my community the government told them to apply for a shelter. I have a letter on file, because I am going to use the M word. Theresa Greer, the executive director of Halton Women's Place, said this NDP government has misled them. There is a copy of the letter, and it is a matter of record that this government has been dancing around for over a year on a women's shelter for Burlington. In Burlington we are taking families from Peel, from Fergus, from Guelph and a few from Hamilton, and Burlington people and Oakville people cannot get inside their own shelter because of the backlog. We do not need to study this issue.

With regard to the area of court reforms, members are aware that I have been fighting to get Ontario to act. This is the last province in Canada to have a victims' bill of rights. All members of the House stood up and said they supported it in principle, but the NDP government decided, "No, we're not going to proceed with victims' rights."

A question on the Orders and Notices paper was just responded to by the Attorney General. It is unfortunate that the member for Rainy River is the Attorney General, because he tells us that at this time the ministry is not proposing to create a bill of rights for victims of crime in Ontario and he says there are limitations caused, in part, by insufficient

resources. Is that not a crying shame? We cannot provide the badly needed support for these women and these children because we do not have the badly needed resources.

If it is not a priority, if violence against the person is not a priority for this government, it cannot be anybody's priority. We control the purse strings in this province. We are the only ones responsible for reforms, meaningful reforms, really changing things in this province, because we control the money. All the volunteer efforts in the world out there in the field are going nowhere unless we can provide those shelters.

That is why, as it has been stated earlier, it is our number one social policy concern. It has been for the last four years and it will continue to be, if you listen to those families or if you listen to a Franca Capretta. This woman had her husband grab her by the hair and take her out to her front lawn and beat her with a steel pipe. She spent more time in the intensive care unit of an Ottawa hospital than her husband spent behind bars. That is our criminal justice system in this province. Every province in this country and the national government have said the only way to change our criminal justice system is to set a victims' bill of rights into our Criminal Code, yet Ontario does not have the resources at this time.

The real tragedy is that we have one of the best cabinets to understand the needs of women we have ever seen in our history and yet we have second-class programs relative to the priority that is made in other provinces.

There are so many other things I wanted to mention. The victims' bill of rights is not going to be proceeded with during the term of this government. We will now be five years behind the last province that brought in victims' rights legislation. The Ontario Coalition of Rape Crisis Centres is concerned that this government has not seen fit to provide the stabilized core funding other provinces have given, because those centres should not live from hand to mouth for their funding every year.

Finally the member for Oakville South and I are here today to say simply that our communities are fed up with the idea of study. Our communities want reforms now. We have buried two young teenagers this year, Nina DeVilliers and Leslie Mahaffy, and our community has said enough is enough. All children are at risk, all women are at risk and we had better get on with the business of these reforms, not studying them.

Mr G. Wilson: I am certainly pleased to join this debate that has been initiated by my colleague and joined in by members from the other two parties. In particular, I want to mention the critic for women's issues, the member for Eglinton, for her very moving and factual account. She certainly raised a number of issues that lead to some insight into what we will need. The member for Waterloo North also raised some matters that will help us in our deliberations. The member for Burlington South certainly added an edge to the discussion at this point that I think is also needed and bears some looking at.

1050

I want to say first, from a personal perspective as a husband and the father of two young daughters, that I am

certainly very aware of the concern about violence against women. It is a daily issue—the question of locked doors, for instance, and the safety of going to school and the concern about after-dark hours. It is closer to home in another way, in that I live in the building where Dr Carolyn Warrick, mentioned by my colleague, was murdered. That was a very gripping and tragic event that certainly focused the attention of all of us on the need to deal with this issue.

I agree with the member for Burlington South that our government is well positioned to offer a lot of leadership in this role. My colleague who was the Minister without Portfolio responsible for women's issues and who recently resigned, the member for Scarborough West, certainly showed a lot of leadership on this issue, based on a lot of experience. I know her support is still there. Certainly the minister now responsible for women's issues, the member for London Centre, will still have that kind of leadership.

I want to say, though, that the issue of money has always been a concern and it cannot be left entirely to governments. It depends on the organizations we have in the community that deal with shelters and counselling services. Certainly they have done it in the past, and with our help they will do it in the future. We all have to recognize the participation and the contribution they have made up to this point and that it has to be supported.

I want to look at something very definite, also from my own experience, and that is the role of unions in highlighting the issues of all workers in general but certainly women in particular. Through organizing, women are able to try to boost their economic security. It is certainly something mentioned by, I think, all three of the opposition members. I look forward to their support in helping unions organize, because if that is the route we want to take, and in my experience it has been a very real benefit, then we will want to see more women organized in unions to push for greater economic equality. But unions provide more than economic equality. They also provide a voice.

Looking at the issue, it certainly is one that is very deep. The member for Burlington South seems to think that after a year we should have this thing put on the shelf as being solved. It is deeply rooted in our society and it is part of the socialization of both boys and girls in our society to accept the roles that have been traditionally allotted to them. This is the thing we have to work against. Again, unions are very important in this role in fighting for the economic equality of women and also giving them a voice in fighting for the things they find important for our society—indeed that are important to both men and women—things like child care, pay equity and safety in the workplace and in the home.

Another point that should be raised is that trying to create a safer society for women—that is, the fight against violence against women that happens so often in the home and is disguised—by bringing it out into the open, in a way that is effective and that depends on women coming forward, can be accomplished through organizations, which can be not only the voluntary organizations in our community that governments can support but also through unions. I think that is another point in their favour.

Finally, by removing the threat of male violence against women, it not only helps society in that it relieves that burden on women, but it also brings men into the 20th century. It is a crime. It has to be recognized as such. It also frees them from that kind of mentality. With those remarks, I would like to turn the debate over to the other members.

Mr Owens: I am not going to say it is with any kind of pleasure that I stand up to address this issue today, because this issue brings me, and I am sure all members of this House, absolutely no pleasure.

I find myself in a very strange position today in that I have to agree with the member for Burlington South. We have the evidence. We know what the problems are. We need to start action.

Our government has been probably the most proactive of any government in the history of this country in terms of assigning money and going out to take action on this subject, but still, as the member for Burlington South mentioned, we have had to bury a Nina DeVilliers and we have had to bury a Leslie Mahaffy. This issue is not getting any better.

We as a Legislature have to start by setting an example that we have zero tolerance for this issue. The statistics that have been recited here and many more that we could talk about are absolutely appalling. One in four women will be sexually assaulted before they reach adolescence. To me, this is absolutely and completely appalling.

The one issue I will disagree with the member for Burlington South on is the need to construct shelters. I understand we have an acute need for a place for people to go at this point but I can assure him that by constructing more shelters, by constructing more rape crisis centres and not dealing with the root cause of the problem, we are simply institutionalizing violence against women. To me, that is inappropriate.

We need to get to the root cause of the problem and we need to deal with it. We have talked about two particular people today who have recently died at the hands of men. I am sure that later on this fall, when members of this Legislature attend the Ontario Association of Interval and Transition Houses lobby, this group will bring to our attention many more whose names have not made the paper.

Again, the bottom line is that we need to start looking at changes in laws. We need to take a look at the position of women in the criminal justice system, at how women are treated, and at how children are treated. Do we make this system accessible to these people?

This government is currently undertaking a witness protection program for children to encourage the reporting of abuse. We are undertaking a protocol that is modelled on a project conducted in Duluth, Minnesota, where perpetrators of violence against women are automatically charged. What has been found is that by charging people the rate of recidivism drops immensely.

As a legislator, and I am sure other members in this House share the feeling, when the Supreme Court of Canada released a decision dropping the rape shield defence, I was saddened, because no doubt not having this protection

in place will certainly have a chilling effect on the reporting of sexual assault and sexual abuse.

In my mind there is absolutely no relevance in a person's sexual history prior to an assault taking place. It does not matter what the person was involved in prior to the assault. The fact is an assault has taken place. That is a criminal activity and any other evidence should not be a factor. This has unfortunately been dropped.

I read recently that people from the Canadian Civil Liberties Association are now backpedalling on their position that this was a good thing, that all civil liberties should be intact. Unfortunately, between the time the federal government can introduce legislation and get it passed, the numbers of victims who will have to pass through this process cannot be estimated and the amount of damage that will be caused is inestimable. Again, I refer to the chilling effect this kind of decision has on the reporting of assaults.

As the member for Scarborough Centre, I and a committee are working hard to establish a women's legal clinic to deal with victims of sexual assault, domestic violence and incest survivors, but again, the bottom line is that we can establish clinics all over the province, we can establish shelters all over the province, but until we deal with the systemic issues, the power relationships between men and women, this problem is going to continue.

1100

The Acting Speaker: The honourable member for Niagara Falls has two minutes to summarize.

Ms Harrington: First of all, I must say that this is not a resolution which asks for a study. This resolution wants an assessment of the provincial policies and their effectiveness. The ministries' programs now have a three-pronged approach: first, services such as counselling and shelters; second, work within the justice system to stop violence against women; and third, education and prevention programs. We want to assess those programs and see if they are working and see if we can do better. Whenever there is an educational program, the demands for counselling and shelter services escalate so quickly that we cannot meet the need.

For me, I want to reiterate how I feel and what has been said, I think, by one other speaker; that is, that it is a vicious cycle. In true reality this is it, the vicious cycle: violence against women makes women unequal in society, and because women are unequal in society there is violence against women. It just perpetuates itself. Inequality is shame, fear, guilt, powerlessness. It is a cycle that affects the richness of our lives, it affects the economic health of this province and it is ultimately passed on to the next generation. We all know that children witnessing violence become most likely users of violence.

In Niagara Falls we have a shelter and it has a button that says, "You can't beat a woman." Does that not sound nice? But in Canada you can; you can beat a woman, too often with impunity. You can beat a woman, and the police, if they charge you at all, will charge you reluctantly,

very often, and you can do it again and again. Women who seek shelter go there after 35 assaults, usually.

I would just like to end by saying this is an issue of power in our society and control in our society, and violence is, I think, parallel to slavery in our society. It was accepted for thousands of years and it was abolished, I believe, if history is correct, in a few decades. Inequality of women, violence against women, has been accepted in part of our society for thousands of years. Surely this can be the decade when we do something about it.

EMPLOYEE WAGE PROTECTION

Mr Kwinter moved resolution 19:

That, in the opinion of this House, given the horrendous negative effect the policies and proposals of the New Democratic Party government have already had on the investment and job creation climate in Ontario, and given the deliberately antibusiness proposal by the federal Conservative government to introduce a payroll tax to fund its wage protection program, thus making successful workers and employers pay the costs for their unsuccessful counterparts, the present government of Ontario should at no time introduce a payroll tax as a means of funding the employee wage protection program.

The Acting Speaker: Pursuant to standing order 94, the honourable member has 10 minutes for his presentation and will have two minutes to wrap up.

Mr Kwinter: Events have overtaken this resolution in some respect. When this resolution was introduced into the order list, it was felt that this was a serious problem. Now it is a very critical problem. What we have is a situation where the heartland of Canada, the industrial heartland, the economic heartland, is under severe siege.

Many of these events are not of any one individual's particular doing or any one government's particular doing; it is accumulation of various global effects, things that are happening. But the impact is being felt in Ontario far more severely than anywhere else in Canada, and there is a very good reason for that, the reason being that we in Ontario are the manufacturing, business and financial centre of Canada.

Some of our colleagues across the country are not happy when they hear that. They think that somehow or other Ontario is boasting. It is not a boast, it is a fact: 42% of the economic activity in this country takes place in Ontario, the bulk of the manufacturing is here, 75% of all the securities traded on the Canadian stock exchange in total are traded in Toronto, and it is the home of five of the six major banks in Canada. Whether one likes it or not, this is where a great part of the economic activity in this country takes place.

Now, that is good news and it is bad news. The good news, of course, is that it has given Ontario a standard of living that is the highest in Canada. It is no secret that the engine—I do not mean this to be a pun—that drives the economy of Canada is the automotive industry, and most of it is located in Ontario. The spinoffs of that industry filter through small-town Ontario, because there are small machine shops, there are small suppliers, people who supply the automotive industry. That is where the well-paying

jobs are, that is where we get the bulk of our export activity, and it is critical to Ontario's economic wellbeing.

What has happened to change that? The thing that has happened, of course, is that we are now into a global economy. Where traditionally our competition came from our neighbours to the south in the United States or from western Europe—the United Kingdom, France, Germany, Italy—that has changed. We certainly still get a great deal of competition from those areas, but there are new players emerging virtually every day.

Many of the members, and I have said this before, are old enough to remember that if they ever gave somebody something made in Japan, they would be embarrassed if he turned it over and it said, "Made in Japan." That was synonymous with cheap and shoddy goods. Now, of course, the Japanese have come on to the scene. They started out in electronics. They moved into the automotive sector, so much so that for the first time in history the number one selling automobile in the United States is the Honda Accord.

We have pressures from Taiwan, Thailand, Singapore, Hong Kong, Mexico, coming on the scene; Brazil, some of the eastern European countries. All of these things are bringing pressure to bear on our competitiveness. When we ask if we are competitive—unfortunately, there are those who think that is a buzzword. When we are trying to be productive or competitive, that is the buzzword for bashing labour. I want to suggest that has nothing to do with it at all. It is a fact of life.

You can rail to your heart's delight about the fact that you have to protect jobs, but you only have to protect jobs as long as those jobs are relevant, as long as they are producing things that can be sold. There is not much sense in producing something if it cannot be sold, and there is not much sense in producing something if it is overpriced so that in the global competition someone else is selling that product at equal quality but at better price, or at better quality and better price, which is also a possibility.

So my concern—and I do not want to single out this government alone, because I have to admit that when we were in government we fell into some of the same things. There is always an incredible demand for more service and more money. The easiest thing to do, and this is what disturbs me particularly from the government side, is to fall into the trap of feeling that business does not pay its share and saying, "Let's add this on because they have a responsibility."

1110

When I sat on the committee that toured the province listening to people's comments on the budget, I was quite disturbed at the number of people who appeared and said: "We've got to get the corporate welfare bums. We have all these corporations that are not paying any taxes and we've got to do something about it."

The misinformation among those people is frightening, because there is an attitude that business is out there just having a free ride, and it is not. They may not be paying any profit taxes if they are not making any profits, but they are paying taxes. They are paying workers' compensation taxes. They are paying dividend taxes. They are paying sales taxes, in many respects. They are paying employee

health taxes. They are paying corporate concentration taxes. They are paying a wide range of taxes that help create the kind of infrastructure, support the kind of municipalities that look to these businesses, because without them, the tax base for their citizens would just be too onerous.

At the end of the day, some of them may make a profit and they will pay a tax on their profit. Others do not make a profit and they do not pay any tax. It is no different from an individual. If you do not earn a certain income, you do not pay any tax. What we have done consecutively over the last few years is, we keep increasing the number of people who do not pay that tax.

When we talk about an employee wage protection plan, I do not think there is anybody who would not argue that a person who works and earns an income should be entitled to have that income; no question about that. And if a company fails, there is a feeling that there should be some kind of wage protection plan to pay for it. The problem I have with that is the same problem I have with several other plans that are similar to that. What the government is doing is saying to the successful company, "You have to pay for the unsuccessful company."

We have the same thing exactly in two other areas. When you deposit money in a bank, we have the Canada Deposit Insurance Corp, and we also have in Ontario, in the credit unions, OSDIC, the Ontario Share and Deposit Insurance Corp. If you put \$60,000 into your bank account, it is insured. If you exceed it, you are at risk. What happens is that the ones who have to pay the insurance for that are the big banks that in theory will never go bust. The chances of the Royal Bank of Canada going bankrupt, I would say, are quite remote.

Notwithstanding that, they must pay an insurance premium on every dollar they take in to pay for that. But who are the beneficiaries? They are some of the weaker institutions, the ones that are poorly funded, poorly managed, that go out of business, and the big banks have to pay for it.

We have a situation with the pension protection act as well where, if you have a pension plan, you must pay a certain amount of money into it to protect those people who have pensions, and if the company goes broke, it cannot pay for them. The problem we have with that is that it absolutely discourages people from taking pension plans, and we have a situation where most people do not have a pension plan. The reason for that is that companies will not do it because the cost is too onerous.

It is exactly the same thing with a payroll tax that is used to fund an employee wage protection package. What you have is another deterrent. It is another reason why someone will say, "I'm going to go to another jurisdiction. I'm going to set up in New York or Quebec or British Columbia or wherever," and I say that because of what I think is a very precarious situation, we are in severe danger of losing our competitiveness.

Mrs Witmer: I am pleased to see that the honourable member who introduced the motion this morning has been radically transformed and recognizes that payroll taxes such as the employer health tax are not appropriate.

Ever since the government introduced Bill 70, I have been extremely concerned that this program would eventually be funded by a payroll tax. Indeed, I am very afraid that this payroll tax is going to be introduced in next April's budget because it is in April of next year, 1992, that the first 18 months of Bill 70 end, and at that time, of course, the government does have the opportunity to make whatever changes it wishes if the legislation passes as it is. Certainly in questioning that I have done to both the Minister of Labour and the Treasurer in asking them about the prospect of a future payroll tax, neither the Treasurer nor the Minister of Labour has given me any assurance whatsoever that there will not be another tax imposed on employers in this province.

I feel that it is important to remind this government that payroll taxes—and this has certainly been well documented and well demonstrated in the past—do reduce our competitiveness. They do severely impair job creation, they do hurt economic growth and they do put a squeeze on small business, and we have to remember it is the small business community that creates most of the jobs in this province. Not only does it put a squeeze on small business; it also has a very punitive impact on businesses in this province. I believe that the current recession has clearly demonstrated that this government must not introduce a single new measure that will in any way, shape or form impair Ontario's competitiveness.

I think we need to remember that businesses in this province already sustain a much higher total tax burden than similar businesses located in Quebec and and British Columbia, so, "Why would you stay in this province?" is the question that many business people are asking today.

I am concerned that the cost of this fund is going to escalate because the average claim has escalated. In April they told us the average claim was \$3,254, and in July we learned that the average claim was \$4,200. Thus, in the future, businesses in this province may well be levied for an enhanced fund, because Bill 70 is going to give the minister the power to change the maximum amount of compensation and also the terms of the package without the need to bring the legislation back to the House for full public consultation and scrutiny.

I would like to share with members the concerns of some of the members of my community. This past week I had an opportunity to meet with the members of the Waterloo economic development strategy committee. We have many businesses in Waterloo and Kitchener that are failing and that are concerned about their future. There was one small business person there who employed 35 employees. They have enjoyed prosperity in this province. They are a high-tech industry that is continuing to grow. They now export 80% of their products abroad and are managing to compete globally.

However, because of the increase in taxation, this individual has indicated that any further expansion will be south of the border. I have to tell members this is a message that I am hearing from employers throughout this province. They are downsizing and they are not creating employment opportunities because they are very fearful of

the economic climate and the increased possibility of taxation on the employer.

During the public hearings this past summer we heard some very grim testimony from many groups about the impact of Bill 70 and particularly the introduction of this payroll tax as a means of funding. I would like to share some of their concerns with members. Before I do that, I would like to add that I think it is extremely unfortunate that the NDP government, as a result of the public hearings, did not introduce a single substantive amendment.

1120

The Canadian Manufacturers' Association indicated to us that no employer tax or payroll tax be established to fund the program in the future. To do so would be detrimental to the economy of Ontario by making it even less competitive, resulting in fewer jobs for Ontario workers. Almost all jurisdictions with which we compete offer a far more competitive tax environment.

From the representative of Mother Parker's Foods Ltd: "You must realize that another payroll tax would send a great deal more small businesses straight into bankruptcy and put even more individuals out of work."

From the More Jobs Coalition: "We would like to state that the More Jobs Coalition is firmly opposed to any initiative which would add an additional payroll tax on the already heavy burdens employers must bear."

From the Ontario Chamber of Commerce: "No employer taxes should be introduced to cover the cost of payments made in accordance with the bill. These are social benefits that should be drawn from the consolidated revenue fund."

From the Grocery Products Manufacturers of Canada: "We cannot support financing the program by means of a flat payroll or corporations tax. Clearly any additional cost of doing business will negatively affect the industry's ability to compete in the North American marketplace."

From Steve Yeoman, Bates and McKeown: "In the aftermath of the GST and the employer health tax and the Ontario budget deficit, small business in the province of Ontario cannot afford another tax."

These are the types of comments that we heard this summer, and there is one from the Information Technology Association of Canada: "A payroll tax will drop with a thud on the scales when weighing in against the investment case for Ontario. You should recognize that it is not only the cost of doing business in a given environment that investors will measure."

Finally, from the Canadian Federation of Independent Business: "The regressive character of payroll taxes makes them much more burdensome to the small business community than to large corporations."

As the Premier rightly noted when he was Leader of the Opposition and criticizing the then government's decision to impose the employer health tax on the province's employers in lieu of OHIP premiums, "Payroll taxes are a tax on small business and a tax on jobs." It is obvious that the Premier no longer considers that to be the case, but he did indicate that payroll taxes are a tax on small business and a tax on jobs, and we would certainly concur with that statement.

In conclusion, I would urge this government to reject the introduction of the payroll tax. I would remind them that we no longer have a healthy tax advantage here in the province of Ontario. I would remind them of the 32 tax increases that were introduced by the Liberals, including the EHT.

At a time when there is economic insecurity, at a time when we have many people throughout this province suffering great hardship because of lost jobs and at a time when the neighbours to the south of us are actively recruiting businesses and encouraging them to move, I would encourage the members of this government to do everything they possibly can to stem this tide. I would urge them to focus their efforts on the creation of jobs and doing everything possible to do so. I do not see this happening.

I can assure them that another payroll tax is going to create more hardship. It is going to contribute to more job losses for workers. Unfortunately it is going to be the final nail in the coffin for the businesses that are presently struggling to survive in the very uncertain economic climate that has been created in this province.

Ms S. Murdock: What was interesting so far in what I have been hearing is that it seems as if this payroll tax is already in place and a fait accompli, which it is not. I would like that clearly on the record. There is no doubt that the funding of the employee wage protection program seems to be a topic of great concern. It was during the hearings this summer and it obviously still is this morning and again this afternoon, when we debate Bill 70.

Throughout the public hearings and in the written submissions that the committee received, groups expressed their views as to who should pay, and the options presented by all groups that appeared before us were basically only three. One, of course, was that we leave the situation as it exists now, presently, in a status quo and workers who have earned wages and benefits, not social benefits but actual wage benefits and other benefits that they have earned, do not get paid. For us that was not an option. We are not willing to do nothing.

The second option that was presented to us by most of the groups was basically that we do what the federal government is doing. Anything that the Conservatives in Ottawa are doing is not something that we would generally follow anyway, but certainly taxing the employer or taxing solvent businesses to pay for their unsuccessful counterparts was not the way that we thought we should go at a time of recession. It is true that businesses, as has been so eloquently stated by the members opposite, are overburdened at this time. Our general feeling and our sense of responsibility is that we cannot go with in that option, certainly while the province of Ontario is in such hard times.

The third option we had presented, and this was in the employee wage protection program, was the consolidated revenue fund paying for it. In that instance, the arguments that we got in committee this summer were basically why should the taxpayer pay for employers who have gone out of business or who have left the province willingly and it is not fair that the taxpayers should pay that.

If we listen to all of those arguments then it ends up that we are back where we started again. No one is paying. The employer who has gone bankrupt or who has left is not paying the worker whose wages have been earned. If we do not take it from the consolidated revenue fund and we do not do a payroll tax, then the worker is the one who is penalized. Interestingly many felt, from all sides, and that is both management and labour, that taxpayers should not be responsible for the debts incurred by a few, and yet all agree that the workers should not be penalized. There was no one who said that people who earned money and worked for it should not be paid what they were owed. Generally the feeling was that successful employers should not be penalized either.

Right now the plan is that the program will be funded by general revenues, and the member for Waterloo North certainly has said that as of April 1992 that 18-month funding program is going to be completed and a decision will have to be made. There are no plans to impose a payroll tax. I should make that very clear; there are no plans. That is not to say it is not going to happen, but this resolution today is, I think, very presumptuous, because in no way could I agree to make such a decision as suggested in this resolution in the bottom line, that the "government of Ontario should at no time introduce a payroll tax as a means of funding the employee wage protection program."

Personally, I think it would hamstring any future decisions made by the Treasurer, even though the amount of the payroll tax for the employee wage protection program would in all likelihood, at least by our estimation, be almost infinitesimal and be impractical as to standing by itself. The method of payment to workers is either by the fund or a tax and either one of those is not a decision for me alone to make, nor should we have to do this in terms of a future basis.

My personal recommendation—I said this in committee so I am not speaking out of turn—is not to go by way of increased taxes. I have no difficulty in stating that, but as we have learned only too well in the past year, you never say never. That is what this resolution is asking me to do. I would not presume to do that.

I thank members for allowing me to make that statement.

1130

Mr Phillips: I am pleased to join the debate and support my colleague's resolution. I was struck earlier this week when the Premier, I think in the very first piece of business when the House came back, said, "Renewing our economy must be the central focus of our work as a province." I very much agree with that. I think all of us have to work towards that.

The problem I think people in the business community have as they watch us proceed with this is that our actions often speak louder than our words. The very first thing that happened was the Treasurer saying that our spending is essentially out of control. "Out of control" may be strong words, but essentially out of control. Not our revenue. The stuff that the business community out there is generating seems to be coming in on track, but it is our spending that is out of control.

The business community that is struggling mightily—believe me, it is tough out there, as we all know—says, “My gosh, as we are trying to cut our expenditures, keep ourselves alive, somehow or other the government’s spending is out of control.” We will hear more about that next week, but that is one thing they worry about.

The second thing they worry about is just taxes. Here we have, with the wage protection fund, the threat—the previous member from the government said, “We are not planning it at this time.” That worries business. “At this time” worries them. As they are looking ahead at where they are going to invest, how much confidence they are going to have, that is another cloud on the horizon, “not at this time.”

Certainly, as they look at that threat, they look at hydro rates going up 12% this year, and the announcement from Ontario Hydro is it will be 12% the following year and then another 12%. That is like a 40% increase in hydro rates. To a business person trying to survive in this economy, my gosh, that is frightening.

It is not just this that they worry about; it is the collection of it. The Treasurer has said in his budget, “We are going to have to raise taxes substantially.” As a matter of fact, he says, “We are going to have to raise taxes at the rate of about \$5 billion, new taxes, in order just to keep our deficit at about the \$8-billion level.” For the business community that is unbelievable: \$5 billion of new taxes.

I know the government members often say, “We’ll just tax the corporations, these rich, fat corporations.” Let me tell members two things. One is that if we look at the federal government’s Fiscal Monitor, here is what it says: “In the first quarter of 1991, corporate profits were 65% below their pre-recession peak and nearly 50% below the same quarter in 1990. As a result, corporate tax collections declined 24.9% in the first quarter of this year.”

The second thing I would say about corporate taxes is that we think there is a lot of money there. What per cent of the provincial revenues do members think comes from corporate taxes right now? It is about \$3 billion of about \$45 billion. It is a relatively small part. There is not a huge windfall available in increasing corporate taxes. I know it sounds neat, but there is not a huge windfall to be found in increasing corporate taxes.

That is the first point I wanted to make. The business community, looking ahead at how it is going to invest, create jobs, create the kind of economic activity we are looking at, is extremely frightened. They partially welcomed the Premier’s opening remarks this week about focusing on the economy. Then they look and see what we are doing—spending out of control; \$5 billion of new taxes coming on the horizon; the fact that corporate taxes are already falling on them substantially; a hydro rate increase of at least 12% this year and 12% for the foreseeable future—and they are worried.

My colleague, in his resolution, pointed out the economic morass we are in right now, and we all know that, but I was looking just the other day at the plant closures, not plant closures that have taken place in the past but the plant closures that are planned. As members all know, the Ministry of Labour produces these statistics. Here we have

two pages of what are called complete closures. These are not downsizing, these are not partial closures, but complete closures coming. Why are they coming? Because businesses in this province are having difficulty competing in the new global economy.

If members want to deny that we are going to have to compete globally, they are living in the past. We are now in the real world. As a province and as a country, we are going to have to compete globally. This is testimony that our industry is having trouble competing globally, and a payroll tax would simply add to that.

The third thing I would say is that the unemployment rate continues to be unacceptable. We have heard from the Minister of Industry, Trade and Technology that he is creating new jobs, yet we see these layoffs occurring. We see the unemployment for the month of August. We have in this province right now 525,000 people unemployed. That is up dramatically, as I think all of us know, from a year ago. A year ago, Ontario had the lowest unemployment rate in the country. Now every single province in the west has a lower unemployment rate than Ontario does. What is happening? We are not having the economic renewal in this province that we require.

I very much support the resolution my colleague has put forward. I think all of us must recognize that the economy is in serious difficulty. There are the things the province is doing right now: spending out of control, the threat of substantial new taxes coming in the future, the lack of an economic program. As a matter of fact, in the first year of this government, the Ministry of Industry, Trade and Technology did not announce one single proposal that would increase employment in the province. I waited patiently for the minister to get up in his place and say, “Today we have reached some sort of an agreement between the union and the company” to do this and to do that. Not one announcement of new jobs and new job creation in the province.

We are at, I think, a crisis. That may not be too strong a word. We have a government that has no economic plan, and as my colleague said, the thought of adding another tax to an already very burdened business community would just drive another nail in the coffin.

I appreciate the opportunity to bring my thoughts to the debate.

Mr Carr: I am pleased to participate in the debate. I am going to start off by apologizing to my friend who moved the motion, because I am going to be fairly critical of both him and the government he was a part of.

I think the member mentioned earlier in his comments that they fell into the same trap. I say to him that the previous government, which he was a part of, did not fall into the trap; it jumped in with both feet when it comes to taxes. From being a province that was taken from medium in terms of taxes, they made us the most heavily-taxed province in Canada, the most heavily-taxed jurisdiction in all of North America.

I say to my friend again, because he may have been speaking at the cabinet table, that the cabinet decisions that came out, where he sat, were a big part of the reason we are in this predicament right now. They introduced 33 new

taxes during their period of time. They taxed people who were in business. They taxed individuals. They taxed everybody. Anything that moved in this province over the last five years, they taxed, and as if that was not bad enough, even though they taxed them, if they did not tax them to death, they regulated them to death.

1140

The member sat at the cabinet table. I suspect if the truth were known, he was probably fighting for business and industry, but the fact is that in the results that came out of a government he was a part of, they were the worst offenders of all the provinces in Canada.

In my own area, 500 jobs were lost at Tridon. My colleague the member for Burlington South and myself met with the Canadian Auto Workers. We sat down with them. They said: "We had a good relationship with the company. We tried to help to control costs." The company said, "We had a great relationship with the workers." The thing that they said cost those jobs, the final straw, was the employer health tax. Five hundred jobs were lost in Burlington and Oakville as a direct result of a tax levied by the Liberal government of the day. The member who introduced this motion was part of the cabinet, around the cabinet table, and part of the decision that cost well over 500 people jobs in my riding.

When the debate started, all the things came out and they said it was the free trade agreement, and it was this and that. Both sides, both the union and the president of the company, said it was the employer health tax that was the final straw. I sat down with them and said: "Why don't you come out and say it to this new government of the day? Why don't you come out and say that it was the employer health tax?" He looked at me and he said: "Gary, I would do that. Even though we're selling back into this marketplace and corporate relations are very important, I would do that if you honestly and truly believed this government would listen to me." I sat there and I could not tell him he could.

As a result, with all the reasons about why the company left that are out there, all the misconceptions, the employer health tax which the Liberals introduced had a direct result in the loss of 500 jobs in my riding.

That is why I am a little bit sensitive about what is happening when this government then introduces a resolution and talks about employer payroll tax funding. That is why there is cynicism out there in the public, because people who sit around the cabinet table have direct authority. Then when they are out of government, they tell you what you should be doing. What we need are people who are a little more consistent in their application. Again, I do not want to be too critical of the member, because I think if the truth were known he was probably fighting very hard but, unfortunately, if you are a cabinet minister you have to live by the results that come out of those discussions. I am very critical of that.

I was reading through some of the material last night from the Ontario Chamber of Commerce. It has put together resolutions, about 111 pages, very easy to read. They talk about everything, including the environment. As members know, the chamber has about 65,000 members,

165 boards, and has been around since 1911. One of the statements it makes on page 65 is that it does not believe any of the funding for the wage protection fund should come from another payroll tax. I would encourage those members who are going around the province saying, "We're listening to business, we're listening," to read page 65 of the report. That might be very helpful in other matters as well, because it is very important material of what business is saying about some of these taxes.

What we need to do is address the problem of the job losses, not have the short-term fixes of trying to find money to assist workers. What we need to do is have long-term plans that will probably be implemented down the road and will keep the jobs for the people of the province. That is what the people wanted. I support it, but I think it is a very cynical motion by a party that is very cynical.

Mr Johnson: I, too, unfortunately am plagued with a cold that many of the members have, and I hope my voice does not fail me.

I have to say right at the beginning that I cannot support this resolution because I do not think we would want to make it an absolute that the Treasurer could not at some point in time—although we know that at this time it is not necessary—levy a tax that may or may not be understood to be a payroll tax. Because of that, I just cannot agree with this resolution.

The member made some interesting comments at the beginning of his remarks. It is true that in the world, a global economy is taking effect and having a disastrous effect on the province of Ontario. It is true, maybe because of its geographic location, maybe because of its population, that Ontario is a dominant factor in the economy of Canada.

As the global economy grows, I think we have to look at what kind of effects this is going to have on Ontario. A global economy in theory is probably not a bad thing, except that many things are not constant. For example, in other areas of the world, they do not have environmental laws and environmental protection like we have here in Canada or in Ontario. They do not have the health or safety factors taken into consideration for their employees. We know these things are costly to some degree. We also know that wages in other areas of the world are considerably lower than they are in this province. Ontario is a great place to live. We have many social benefits. I think we have, if not the highest, one of the highest standards of living in the world.

The member for Wilson Heights also mentioned a theory—I am not sure it is entirely his—that jobs should exist if they are relevant, and if they are not relevant they should not be here. Of course, that brings to my mind a concern for the farmers in Ontario, because he mentioned that if you worked for a reason that was viable, that was a good purpose for employment and that would make the job relevant. Well, certainly in the global scheme of things, we see that the farmers in Ontario are suffering because of the global economy, because prices are down, because in other areas of the world they can produce their produce much less expensively or at much less cost than we do here in Ontario. Although in theory I understand what the member

was getting at, I think that if practised completely we would have no farmers in Ontario. We would be importing all our food, and I think it is really important that we supply our own people with our own produce. I guess there is a cost involved in that.

The "horrendous negative effect the policies and proposals of the New Democratic Party government have"—I find that a little offensive. I find it offensive because at this time, a year after we have been in government, as a result of many things, not the fact that we have been in government for a year—I cannot help but speak about the free trade agreement and other things this government had no effect on. If businesses are leaving Ontario to go to the United States, which seems to be a comment heard often in this House, I think it has a lot to do with the global economy and the free trade agreement.

The suggestion that the free trade agreement was going to make a more level playing field for business, I do not think has been true. In fact, as a result of the global economy and the free trade agreement, we see many businesses leaving to areas of the world, in particular the United States, where they think they are going to have advantages and may in fact have advantages, so they are leaving. But that is not the fault of the government.

Certainly the net result is these moves have created some problems the government has to deal with, that is, the job losses we have and the fact that business is leaving. We have to look at these problems very seriously and try to do some things that will help the people who are unemployed, help the business. We have to deal with business, most certainly. We have to talk with business and we have to do things that will encourage them to stay.

I want to say again that the global economy and the global marketplace, which we are becoming involved in, are unfortunately having very negative effects on Ontario. Therein lies the problem, not the fact that we are the government. These things started some time last year, and there has been a snowball effect. It has just carried on and we have seen more and more businesses leave.

I also want to say that in the actual statement of the resolution, I find some things there offensive.

I want to conclude by saying, as another member said, that as it would be a kind of tie to the Treasurer, never being able to introduce a tax that either would be perceived as a payroll tax or would be a payroll tax, I certainly cannot agree with this resolution.

1150

Mr Mahoney: I am delighted to rise in support of my colleague the former Minister of Industry, Trade and Technology on this very well-thought-out resolution and to suggest that it is not premature at all, as has been suggested, because the reality is that we believe, frankly, that the decision has already been made.

The honourable members opposite might find it somewhat of a surprise to be sitting on the back benches and not being told by the Treasurer or the Premier or the cabinet what their long-range plans are, but the first year in government would seem to indicate, to me at least and I think to the public, that all of the decisions in relation to the

future decisions of this government are made out of the corner office by one person, who then simply dictates what should happen.

I want to take a moment to congratulate the member for Wilson Heights. I know, as his former parliamentary assistant and as the advocate for small business in this province while I was with his office, that he did indeed fight, as one of the members said, at the cabinet table and in caucus and everywhere in this province on behalf of business. I think business had a sense, as long as the member for Wilson Heights was in that job, that it had a champion who understood its problems and who was prepared to go to bat for it. Unfortunately, that cannot be said of the current government.

We had a minister who was asleep at the switch for an entire year. He has now been replaced by another minister, and I hear that the travel agents who book all the flights out of MITT got extremely excited when they heard the member for Etobicoke-Rexdale was now going to be booking all the trips for MITT, because we all know that the member for Etobicoke-Rexdale certainly is a citizen of the world. I think the travel agents recognize that their business and their fortunes shot up dramatically with the Premier's announcement.

I want to say why this motion is so important. The decision has already been made to fund this program with some form of employer health tax. There is absolutely no question, so members should not be shocked when the Treasurer walks into their caucus room in the not-too-distant future and says: "I've got a can for you to carry. I've got a message for you to take back to your constituents, and it is that we're going to fund Bill 70"—in all its ramifications and its 107 new employees at an annual cost of some \$5 million to implement NDP policy—"on the backs of the business community through an employer health tax." There is absolutely no question that is going to happen to the members.

But the real problem they have to face and understand is that an atmosphere of fear and mistrust has been created out there. Regardless of what the honourable member from the third party would like to say about the record, he should take a look in the mirror and take a look at nationalization of things like Suncor, Minaki Lodge and many other things before he throws stones. I, for one, do not think the public in this province wants to go back to the days of the pink Tories, who thought they could solve all problems by taking taxpayers' money and buying corporations.

But I will say this: There is real fear out there. Those members, those men and women, can shout at me all they want, but the reality is that businesses are going down the highway and leaving this province in record numbers. If the members want to tax them, they had better tell the Treasurer to hurry up, because there will not be any left to tax. There will not be any left. They are leaving because of fear and mistrust of this government.

The real issue here is, how do you protect jobs? That is really what we are talking about.

Interjection.

Mr Mahoney: The member's opinion of how to protect jobs is to pass legislation that says, "Your job shall be protected." That is the mentality—

Mr Sutherland: No.

Mr Mahoney: It is, I say to the member for Oxford, it is the mentality of socialism in his party.

His Premier gets up and says, "We've got to deal with business." I just heard the honourable member say, "We want to support business." They do not believe the government, and everything it has done up to date, I say to the honourable member for Cambridge, would indicate that they have no reason to believe it.

The government can talk in those terms. The Premier can get up and open his arms wide. He can go and speak to the chambers of commerce and pretend he understands their difficulties, but they know different. What he understands is that he has all the government members snapping at his heels, saying: "We want more for this and more for that. We want you to spend here and spend there. We don't want you to build roads for logging, or do we?" I am getting mixed messages all over the place. "We don't want you to put in an employer tax, a payroll tax for this," yet we think that is going to happen.

I understand. It must be a riot to be in the government's caucus room on Tuesday mornings, because I am sure the battles are very fascinating. I do not know if the Premier still sits through all of that. I would think he is probably too busy. As he does not even come into the Legislature any more, I doubt he spends a whole lot of time in caucus.

The Premier has government members buffaloed. He has them thinking that life is good in a Bob Rae Ontario. He has them thinking that everything is going to work itself out.

Let me give government members some numbers. In Bob Rae's Ontario we have had 31,787 permanent and indefinite layoffs just in 1990 alone. In 1991 the figure already is 15,320. What do we see happening? They do not understand. If you want to support the worker, then you have to ensure that the company can survive. If the company goes out of business, where is the worker going to get a paycheck?

Mr Sutherland: No kidding.

Mr Mahoney: The member does not understand that. The New Democrats think that the way is to give more power to the unions, to give more authority to the unions to take over. That might be true in Kapuskasing where the business is gone. I do not know what they are going to do with Algoma where the business is gone. Believe me, the real secret here is to allow a company to open its doors on Monday morning and make a profit on Friday afternoon, but I know the word "profit" is not in their vocabulary.

I beg government members at caucus to fight the Premier and the Treasurer. They have already made the decision to bring in a payroll tax. Government members should fight it. It is the only hope for this province.

Mr Klopp: To the honourable member for Wilson Heights, I apologize for not being here for his whole debate. There were other pressing issues I had to deal with,

being on the government side now and trying to correct a lot of things that have slipped over the years.

In fact, one of the problems I had with this whole motion today was that it seemed so hypothetical, assuming there is a decision already made and talking about the future. It has been stated by the minister that this payroll tax, if there ever is a payroll tax, is not going to be put in place for the first year or so, or whether it even will be done at all.

But with all the problems, as my honourable colleague mentioned, with the farm situation, to have to come here today to speak on this issue, I think there are better kettles of fish to fry. However, it is the opposition's day and it wants to bring this up. That is their job.

Hearing some of the comments this morning that we are scaring away jobs, that we are hostile to business, if business people read this today from the opposition, and I am sure it will get passed around, they are going to say, "Oh golly, this government must be doing that," and the first thing they are going to do is go back to the notes they had, those who showed up at our committee meetings, where it was said very clearly that no decision has been made on that and there will be consulting if any changes are made to it.

1200

I heard some comments from other members that we do not get listened to in caucus, that the decision is already made. I guess they are basing that on how they ran their government. All I can say is, if that is how they ran their government, that is the way they did it. I feel sorry for them.

Mr Lessard: That's why they're on that side of the room.

Mr Klopp: Maybe that is why they are on that side of the room. Maybe they will learn from it. We have learned every day since we have been here. We are also big enough to consult and even to change our position on things, which we have done. But to hear the comments that the decision has already been made and that is why we have to hurry up with this motion just does not hold water.

I do not think the people out in Ontario appreciate this kind of debate, because there are more important things to talk about, like farm issues, like the fact that the wage protection bill should be passed. One of the arguments is that it creates a problem for business. I do not think it does. I think, in fact, business, especially when it gets so high up in some areas, does not look at a lot of factors. One of the factors is that if workers are laid off and they do not get their money, then they do not go to the bank and pay their bills, or that money does not get flowed into the system, which creates more problems.

I support the wage protection bill. I cannot support this motion at this time because it is unnecessary.

Mr Kwinter: I want to thank all the members of all parties who participated in this debate. I want to clarify a situation that I detect from the comments that were made by the government side. Thursday mornings are private members' business. Private members can bring in any bill they want to, and they debate it. It is not an opposition day

per se. It is private members. The members can agree or disagree with what I have to say, but they are not debating with us as the government and them as the opposition, or vice versa. I think it is important.

But I also think it is important to know that this is a very serious matter. The heckling that comes from the other side, and I noticed it in conversations we have had in the hearings, is that they always pick out one person who is supporting them, and that is their model, whether it be a James Frank or a Siemens. They say, "What about them?" But the point is, what about all the others?

We have an article in the paper today talking about, "Ford Boss Slams NDP Labour Policies: 'Potential Disaster.'" That is another signal going out, not by some political hack but by the president of a major automobile corporation, who is saying there are problems. All that is happening is that when the member for Sudbury stands up and says, "Well, we certainly can't tax the people for it, we certainly can't tax the workers," that really means the decision has been made. The decision has been made that, when it comes down, we are going to have to tax those businesses that are still in business. That is what I object to and that is what I feel is going to create a situation where we are going to lose more and more business in Ontario and also impact on our competitiveness.

VIOLENCE AGAINST WOMEN

Ms Harrington: I would ask the House at this time for unanimous consent to amend the resolution, as I explained in my introduction, by deleting sections 1, 3 and 4. What I explained was that since last June, when this resolution was originally written, I have decided to deal not with specifics but with the whole question of violence against women.

The Acting Speaker: The member for Niagara Falls has requested that her resolution be amended by deleting sections 1, 3 and 4. The member will be aware that standing order 94(j), under the heading "Private Members' Public Business," states, "No amendment may be made to a motion under this standing order." I will therefore determine if we have the unanimous consent of this House to allow these deletions or these amendments. Do we have unanimous consent?

Agreed to.

Motion agreed to.

1210

EMPLOYEE WAGE PROTECTION

The House divided on Mr Kwinter's motion, which was negatived on the following vote:

Ayes—25

Beer, Bradley, Brown, Callahan, Caplan, Carr, Cousens, Cunningham, Curling, Harnick, Jordan, Kwinter, Mahoney, Marland, McLean, Murdoch, B., Offer, O'Neill, Y., Phillips, G., Poole, Sterling, Tilson, Turnbull, Wilson, J., Witmer.

Nays—27

Carter, Christopherson, Cooper, Drainville, Farnan, Frankford, Harrington, Hope, Huget, Johnson, Klopp, Lessard, Malkowski, Martin, Mathysen, Mills, Morrow, Murdock, S., O'Connor, Owens, Waters, Wessinger, White, Wilson, G., Winner, Wiseman, Wood.

The House recessed at 1216.

AFTERNOON SITTING

The House resumed at 1330.

MEMBERS' STATEMENTS

ARMENIAN INDEPENDENCE

Mrs Caplan: The 20,000 members of the Armenian community in Metropolitan Toronto, many of whom live in my riding of Oriole, have been closely watching the political events in their homeland. Last Saturday, September 21, 1991, they witnessed an historic achievement when citizens of the Soviet Republic of Armenia voted overwhelmingly in favour of independence from the Soviet Union. This is the first time in its 71-year history that a referendum on the question of independence was held.

On Monday of this week, as a result of the referendum, the Parliament of Armenia declared independence. Armenian leaders will now be negotiating a new arrangement on defence, foreign policy and monetary matters with the Council of Presidents of other independent countries.

Armenian Canadians are jubilant and justifiably proud of this first step towards self-determination. They are anxious to learn even more. Mr Aris Babikian, from the riding of Oriole, will soon be travelling to Armenia to see at first hand what independence will mean. He will be reporting back to the Armenian community in Metropolitan Toronto.

I know I speak for all the residents of the riding of Oriole and probably on behalf of all of the constituents in Ontario and members of this House when I say that we extend our best wishes to the people of Armenia for a prosperous and peaceful future.

WELLESLEY FESTIVAL

Mrs Witmer: I would like to take this opportunity to inform the members of this House of a very important event that is happening in my community this weekend, and that is the Wellesley Apple Butter and Cheese Festival. This is an annual event in celebration of the excellent apple and cheese products that are produced in the Wellesley area.

The day-long festival includes such events as a pancake and sausage breakfast, a farmers' market where apple butter, apples, cheese and baked goods can be purchased, apple butter and cider mill tours, craft demonstrations, a horseshoe tournament, a model boat regatta, antique car and tractor displays as well as a quilt auction. There are also many activities for the children. This festival has always been a highlight for our family and especially my own daughter, who has grown very fond of the apple fritters one can purchase there.

I would like to take this opportunity to extend a very warm welcome and an invitation to all members in this House to come to Wellesley this Saturday to join us in the festivities and to take home with them some of the exceptional cheese and apple products.

MEALS ON WHEELS

Mr Mills: As members may know, this week is being recognized across Ontario as Meals on Wheels Week. It

gives us all a chance to pay tribute to the thousands of volunteers across Ontario who give up some of their free time each week to help their neighbours. In my riding of Durham East, the town of Newcastle is this week paying tribute to its volunteers. There are 11 Meals on Wheels routes running through Newcastle, Newtonville, Mitchell Corners and the hamlet of Orono, where I make my home.

People on these routes depend on 150 volunteers to bring them hot, nutritious lunches three times a week. Meals on Wheels gives us a chance to recognize the contribution being made by those unsung heroes, who for 52 weeks of every year quietly make a real difference in the lives of people around them.

I stand in the Legislature today to thank publicly all those volunteers in the Newcastle area and across the province who participate in this program, and I ask all members to join with me in extending a warm "Well done."

COMMERCIAL FISHING

Mr Brown: I rise in the House today not to point blame or take sides, but rather to call for co-operation and communication. Not everyone thinks of the north channel of Lake Huron as a commercial fishing location, but let me assure the members that it is. One commercial fisherman, Mr Brian Nyman, had his nets lifted by members of the Sagamok first nation. The nets were returned later. He is obviously concerned about the implications of these actions and is not satisfied with the answers he has received from the Ministry of Natural Resources staff.

He has attempted to communicate with the minister responsible for native affairs, the Minister of Natural Resources and his member of this Legislature, the member for Algoma, without success. We confirmed this morning that he has made approximately one dozen calls to the member for Algoma and his concerns have yet to be dealt with. One member of his staff accepted a call from Mr Nyman over a week ago, but has yet to respond.

The minister and this House must realize that a potentially unpleasant situation is developing along the north channel. This situation can be defused by the minister communicating with the parties involved. The minister must do whatever he can do to foster a better understanding and greater co-operation before this situation gets out of hand.

MEALS ON WHEELS

Mr Turnbull: As my colleague from across the floor has already pointed out, September 22 to 28 has been proclaimed Meals on Wheels Week across Ontario. During this special week we are reminded of the thousands of elderly, convalescent and handicapped people who rely on hot and nutritious meals delivered daily to their homes by many dedicated volunteers. Without this service, many of the recipients would not be able to stay in their homes alone but would need to move into institutions. This would place an extra demand on our already overcrowded care facilities.

Meals on Wheels has been operating in this province for almost 30 years. Based on current statistics, in one year in Ontario 43,000 volunteers delivered over two million meals to 66,000 recipients. We are all aware that the numbers of seniors in our communities will continue to grow in the years ahead and the provision of adequate and appropriate home support service such as Meals on Wheels will become increasingly vital to our society.

Meals on Wheels Week is a time to acknowledge the contribution of many volunteers who make this regular commitment to helping others less fortunate than themselves. Without the time, energy and caring of these thousands of volunteers, it would be impossible to provide Meals on Wheels and many other equivalent important programs. They deserve our appreciation and thanks. Yesterday I rode with those people and helped deliver to houses, and it is indeed a wonderful service that seniors can do to help other seniors.

PURCHASE OF HYDRO PLANT

Mr Wood: It gives me great pleasure and a sense of satisfaction to know that the workers at Spruce Falls ratified on September 7, 1991, the new employee Tembec 60-40 ownership plan by a vote of 87%. The Premier and the Minister of Northern Development and Mines and I spent many hours and days consulting with the former owners of the business, Ontario Hydro, labour and municipalities to reach this agreement, which will save up to 800 jobs in Kapuskasing and surrounding areas.

The deal provides money for modernization of the mill, which will provide for the economic stability of the region for the future and create 150 construction jobs. This historic agreement is an example of how the government is listening to the people of the north in providing creative, workable solutions to the problems we face. By working co-operatively with all the stakeholders, I know our government will continue to listen to all the interests and carry on the strong, decisive leadership that it has shown in the past for future economic renewal in the north.

1340

MEALS ON WHEELS

Mrs Fawcett: As has already been mentioned by two of my colleagues, we are grateful to the Meals on Wheels program in Ontario. This community program provides any individual who would otherwise do without with a nutritious, well-prepared meal and a valuable social contact. In my riding of Northumberland, for instance, these meals are delivered by volunteers who are seniors. Great pride is taken in helping those less fortunate than themselves. Their contribution is both meaningful and appreciated. This program is co-ordinated through organizations such as Cobourg and District Senior Services, Brighton Meal on Wheels, Port Hope Red Cross and Campbellford and Colborne Community Care.

Recently I have noticed TV ads promoting the Ontario Lottery Corp and the community support programs to which they provide funding. One ad shows a person receiving a meal from a Meals on Wheels volunteer. Meals

on Wheels is funded in part by the Ontario Lottery Corp through the Trillium Foundation.

This foundation provided Meals on Wheels with \$34,500 for the fiscal year 1990-91. However, in that same year the Ontario Lottery Corp spent \$187,400 in the production of this particular ad. That figure does not even include the cost of airing the ad. It is a colossal mismanagement of taxpayers' funds to pay five times more money to promote a grant than the actual amount of the grant. This government must look at integrating Meals on Wheels with its long-term care proposal.

HEALTH PROFESSIONS

Mr J. Wilson: The Coalition of Unregulated Practitioners, an organization encompassing thousands of unregulated practitioners, is extremely concerned with the regulated health professions legislation. The concern centres around what is known as the diagnosis clause.

Under this government's legislation, it will soon become a serious criminal offence, with a jail term or a fine of \$25,000, for anyone except medical doctors, psychologists and a few other regulated health professionals to communicate a diagnosis identifying a disease or a disorder.

As Canon Bob Cuyler of the Coalition of Churches pointed out at the press conference here this morning, "Often when a responsible pastoral counsellor, social worker, chaplain, parole officer, etc, gives an answer to the question 'What is wrong with me?' the answer involves identifying a disorder as the cause of symptoms."

It is more than just a little ironic that just over a year ago the NDP was sponsoring the coalition's press conferences, and now the coalition complains that it cannot even get the ear of the minister and that it has not entered into meaningful dialogue with this government.

The Minister of Health believes that the courts will rule in favour of unregulated professionals. This matter should not have to go to the courts. Unregulated professionals should not have to spend exorbitant amounts of money in our court system to correct this government's mistakes. Passing a piece of legislation riddled with holes does not and should not fall under the Minister of Health's job description. I would like the minister to bring forward amendments to correct these injustices.

FALL FAIRS

Mr Sutherland: As we are all aware, this has been a tough year on the agricultural sector and on many rural communities, but I rise today to give credit to the many wonderful volunteers who work for agricultural societies in our province and who of course are the main sponsors of many of the fall fairs.

As we know, fall fairs instil a great sense of community pride as they have the people come together, both the many volunteers who help organize them and the many people who participate in the many events, whether it is displaying the products they produce, garden produce or corn, or the many calf- and cattle-showing displays that occur at fall fairs. They give many people in small communities, particularly rural communities, a great sense of community pride.

I want to encourage all those members who have not attended one yet—I am sure most have—to try to get out to some of the few that still have not occurred, and I extend congratulations to those many dedicated people in agricultural societies across this province and the many in my own riding who have provided so much entertainment and sense of community for so many years.

STATEMENTS BY THE MINISTRY

POLLUTION CONTROL

Hon Mrs Grier: Today I would like to bring the Legislature up to date on the latest developments in the province's water protection program.

I am pleased to announce that the Municipal-Industrial Strategy for Abatement: Issues Resolution Process—Final Report is now available from the Ministry of the Environment. This report establishes the principles of our program to prevent and control industrial discharges into our waterways. We will now use these principles to move into the most important stage of the municipal-industrial strategy for abatement program. In consultation with industry, environmental groups and others, my ministry will establish regulations to limit industrial discharges into Ontario's water.

For the last several months, ministry staff and I have been evaluating the MISA program, where it is working and where improvements are needed. We want to ensure that MISA: (1) reflects the government's environmental priorities and aligns with other environmental initiatives; (2) contributes to significant reductions in total chemical loadings on the environment; (3) promotes behaviour compatible with environmental values such as conservation, stewardship and efficiency; (4) contributes to the government's priority of economic renewal and the greening of industry.

As with all our programs, consultation has been central to the establishment of procedures and criteria to be used for MISA regulation development. During the past two years, ministry staff have reviewed submissions from a wide range of interested parties, including municipalities, environmental groups, industry and academia.

The report I am tabling today incorporates our decisions on these submissions and sets out the pollution prevention and control measures we will take to achieve the goal of virtual elimination of specific persistent toxic contaminants from discharges to Ontario waterways.

We will: (1) set effluent limits for a list of sector-specific contaminants; (2) prohibit effluent which kills fish; (3) establish a zero-discharge list of specific persistent toxic substances; (4) require industry to establish reduction targets for other toxic contaminants which although not targeted for elimination, need to be reduced to the lowest possible levels.

In the first phase of the MISA program, monitoring regulations were designed for nine industrial sectors encompassing more than 300 direct discharging industries. The monitoring for all nine sectors was completed in August 1991. The results of 12 months of monitoring for the petroleum sector were released in July 1990, and the six-

month monitoring results for the pulp and paper sector were released in February 1991.

I am also releasing today the results of the second six months of monitoring in the pulp and paper sector and the 12-month monitoring report from the iron and steel sector. We anticipate that the results from the remaining five sectors will be released by the end of this year.

The findings of the monitoring phase confirmed the need for a review of the MISA program principles. In the Issues Resolution Process document, we have resolved 16 outstanding issues. These solutions will serve as the framework for developing limits regulations under MISA. While most of these issues are highly technical, we intend to incorporate three overriding principles which signal a significant shift in policy for the Ministry of the Environment.

This government is committed to:

1. Pollution prevention: This means we must focus industry's energy on getting things right at the beginning instead of attempting to fix them at the end. End-of-pipe solutions have, by and large, only resulted in increasingly onerous burdens on the public purse for cleanup dollars.

Prevention means that industry must overcome its reliance on end-of-pipe technology, introduce closed-loop systems within plants to prevent the discharge of contaminants into the environment, substitute raw materials to avoid the generation of harmful byproducts or waste, and introduce process changes and redesign products to minimize the amount and degree of hazard in the waste stream.

2. Stopping the transfer of pollutants from one environmental medium to another: We recognize that we live in a closed ecosystem in which activity in one environmental medium can influence quality in another. For example, water pollution is caused not only by direct discharges, but also indirectly when airborne contaminants, such as acid rain, fall in our lakes and rivers or when leaking industrial landfills and the spreading of toxic sludge affect our groundwater reservoirs.

3. The third principle is zero discharge of specific persistent toxic chemicals. As part of our pollution prevention strategy, we are adopting a zero-discharge approach to achieve the virtual elimination of the most persistent toxic contaminants. This means we are developing a list of specific persistent toxic chemicals to be banned from the discharges of all facilities regulated by the MISA program. The revised MISA will contain the requirement that the effluent must be non-toxic to fish.

I am pleased to say that we are improving the MISA program in a manner consistent with our overall environmental policy and with our commitment to involve all stakeholders—business, industry, labour, environmental groups and the general public—in developing strong, consistent and meaningful environmental regulations.

We are now entering the phase where, based upon the definitions in our Issues Resolution Process document, we will consult with all affected parties to design regulations on an industrial sector-by-sector basis that prevent and limit discharges. Our initial focus is on the more than 300 direct discharging industries, with the municipal sector to follow.

We are hopeful that by the spring of 1992 we will have draft regulations for several industrial sectors available for broad public review. We look forward to co-operation from all members of society as we move to prevent further toxic contamination in Ontario's waterways.

This government believes that environmental health and economic health go hand in hand. An effective MISA program will not only protect Ontario's waterways for all who depend on them, but it will also stimulate economic growth in the pollution prevention business and keep our industries competitive. Our waterways are a precious resource which must be preserved for our children and future generations. This next stage of MISA, with its shift in direction towards pollution prevention, will help ensure that we leave to them a legacy we can be proud of.

1350

TVONTARIO

Hon Mrs Haslam: In May, the government instructed the Provincial Auditor to undertake a special audit of the Ontario Educational Communications Authority, TVOntario.

Today I have received a copy of this audit. It is now being reviewed to ensure that it meets Freedom of Information and Protection of Privacy Act requirements. Following that review, I will make the audit available immediately to my colleagues the member for Etobicoke-Humber and the member for Mississauga South. It will also be available to any others upon request.

TVO is an important cultural institution in Ontario. Its health and effectiveness is of utmost importance to this government. TVO is an integral part of the province's educational system and furthers the development of Canadian culture.

My officials and I will be reviewing this report in the coming days. I intend to come back to this House after a thorough review of the report and outline what steps TVO and my ministry will undertake to address this audit.

I want to take this opportunity to reiterate this government's unequivocal support of TVO, its mandate and programming. We value the institution and believe it is important to the people of Ontario.

RESPONSES

POLLUTION CONTROL

Mrs Sullivan: I am pleased to respond to the statement from the Minister of the Environment relating to the MISA program. The unfortunate thing about this statement is that it is approximately one year behind when it should have been made, and I suggest it is one year behind because the minister has become the minister of garbage and has left the key issues of water pollution control behind.

In doing that, she has created uncertainty in industrial and municipal sectors. Capital investment programs have been postponed or set aside while the minister has fiddled and faddled with words on these whole issues.

Last November, regulations for the petroleum refining sector should have been in place. They are not here. This fall, regulations for the pulp and paper sector should have been in place. They are not here. Where are these things in her announcement and when can we expect them?

In her postponement of decisions on these issues, I want to ask the minister, how many tons of toxic pollutants have been poured into Ontario waterways while the minister has sat on her butt? In opposition, the minister said the process must be speeded up. What we have seen from her is a little change from the Mackenzie King routine of postpone, postpone, abstain; we have seen postpone, postpone, postpone.

Where are the process changes she will require? What process changes will she require? What is her timetable? What will be her consultative process? Who has she talked to, other than her own bureaucrats, on these issues?

I suggest that there has been no formal review process since that which was established by the previous Minister of the Environment, which ended in June 1990. There has been no formal change in terms of consultation on these issues since this minister came into office.

If the minister's real aim is pollution prevention, where is her list of banned chemicals? There was a distinct promise from the Premier of Ontario about organochlorines from the pulp and paper sector. There is no mention here of that matter. Surely to goodness that could have been identified in this statement today.

Without action, what we are seeing from this minister is a minister who is stealing language from the environmentalists for headlines only, and no action. Where is the emphasis on bioaccumulation? We have not seen that. The minister talks about pollution prevention.

There is nothing here, and she is far too late in terms of dealing with these issues, in coming to terms with an appropriate consultative process and in getting things done.

TVONTARIO

Mr Bradley: I have read the statement of the Minister of Culture and Communications, and it is a non-statement, so we will not have any response to it.

Mrs Marland: I am responding to the statement from the Minister of Culture and Communications. I appreciate the promptness with which she has brought her information to the House today and that she is going to share immediately the report of the auditor. Obviously this is a very serious matter to all members of this House and I appreciate the fact that the minister understands that. I appreciate her co-operation.

I think it is very important that although this question hangs over TVOntario, based on the information that was given to an all-party legislative committee in a public forum, apart from what will be available through the auditor's report, the future of TVOntario is very important to the people of this province. This television programming provides an excellent and unique service to the people of this province and it is very necessary as an educational service. Frankly it needs our support to survive this present crisis of confidence so that it can continue to provide outstanding educational broadcasting services to the people of Ontario.

I respect the fact that the report should be cleared through the existing provisions of the Freedom of Information and Protection of Privacy Act, and we look forward to

clearing up the whole situation one way or another as soon as possible.

POLLUTION CONTROL

Mr Cousens: The Minister of the Environment has forgotten the days when she was in opposition and would mount her high podium and shout down the government whenever it was late with a regulation or whenever it did anything that was not right. Now, after one year in office, she has forgotten all the lessons she tried to teach someone else.

This today is an admission of failure from a Minister of the Environment who has become a classic ditherer. Mr Speaker, is "ditherer" a parliamentary word? I would not want to offend any members here, except if I offend the minister and cause her to begin to react in a realistic way about the MISA regulations. Then we will have done something from the opposition, because no one seems to be able to move her. She is dithering.

She comes along to the House today and says she is doing something when she has nothing to report, absolutely nothing. Regulations as they affect refineries and pulp and paper: Nothing has happened. She is dithering. The minister is spending her time very usefully, I suppose, in her own mind, working on the garbage dumps. I wish she had some solutions there, but she is not dealing with the water problems. Since she has come to office, there is not one less gram or one less ounce of pollution going into the waterways because she has not done anything about it. It is continuing to accumulate and the minister has not acted on it.

I am getting excited about what is going on, because nothing is happening. If the people of Ontario want to believe the window dressing, God bless them, because if they want to believe the words this minister gives—the words are high-sounding, they sound as if she means it, but the actions do not bespeak what she is doing.

1400

The minister says, "Our waterways are a precious resource." We all know that. "They must be preserved for our children." We all know that. But the minister is now in a position of responsibility. When she had a chance to complain about it, she complained; she was the best complainer. That is why she got promoted. But now that she is there, she has lost the art of complaining. Instead, the minister has become the one who pats someone on the head and gives them a banana. What she needs to do is start getting out there and putting the regulations in place. Let the municipalities know what they have to do, let industry know what it has to do.

The minister says, "We are going to do something about grey water." Yes, it is a problem, but there is nothing close to MISA. Come on. MISA regulations need to come out, and the minister should not begin to think she is doing the job until she has made those regulations clear to everybody. They are not public. She probably has not even thought about it. She did when she was in opposition. Now that she is in power, she is failing.

To call the minister a ditherer is to be complimentary, but for the other words I have, the Speaker would have

been down my throat saying, "You are not being parliamentary." But by not coming forward with true solutions, the Minister of the Environment is not being responsible. To come today and make this statement is truly an admission of failure by the present Minister of the Environment, and I suggest that the Premier have a second look at what she is not doing.

Hon Mr Rae: I believe there is an understanding between the parties that I will make a statement today with respect to the Constitution, one that will parallel the written statement which I have released but will not be an exact replication of it. I think there has been an agreement that we will share time in this regard and give the opposition leaders a chance to respond.

The Speaker: Do we have unanimous consent?

Agreed to.

STATEMENTS BY THE MINISTRY

CONSTITUTIONAL REFORM

RÉFORME CONSTITUTIONNELLE

Hon Mr Rae: I want to make a statement to the House today about the Constitution and, as has been the practice over the last several years, want to take the opportunity to speak not only directly to the members of the House but to the people of the province and even beyond about the current situation.

I think it is fair to say that following the failure of the Meech Lake accord, the country went into a time of reflection and into a time when a number of provinces and a number of people have put forward a number of positions with respect to constitutional reform.

Our own government, this House, this assembly, has participated in that period of the presentation of positions. I think it is fair to say that period is now over and that we now face, over the next several months, the most extraordinary challenge, not of simply taking positions or of arguing from a fixed standpoint. We are now entering a very different period, one in which we must strive, all of us, to reach a national consensus and understanding that includes all Canadians and that is reflective of the greatness that is Canada.

I say this because I think it is important for us to start this time with the recognition that we are, all of us, going to have to struggle for this consensus. It is going to involve decisions that will have to be made by this House, by this government and by this Premier about the most effective way in which we can build a consensus. It is going to involve us listening and learning and understanding that change on everyone's part is going to be part of reaching a bargain. There can be no new national contract, no new deal for Canada, without that sense of compromise and without the sense that in fact we are now building to a national consensus.

Perhaps it is appropriate—I will do this before I turn to some of my more prepared remarks—that we start with some very basic questions.

What is this country called Canada? First we have the land, the land that has captured the imagination of everyone who has lived and visited here. If I could just quote the

words of the poet A.J.M. Smith, who wrote in *The Lonely Land*:

This is a beauty of dissonance,
This resonance of stony strand,
This smoky cry curled over a black pine,
Like a broken and wind-battered branch
When the wind bends the tops of the pines
And curdles the sky from the north,
This is the beauty of strength,
Broken by strength and still strong.

I have found in every conversation I have had with Canadians that when we talk of our affection for Canada, in a sense we start with our affection for the land. That affection is one which we share with every Canadian and which we share as a common value.

Then, when we talk of this country, we talk of the people. We talk of the first citizens, people who have lived here for thousands of years—thousands, not hundreds or a few decades, but thousands—and whose relationship to the land and whose relationship to this country called Canada has yet to receive the recognition in our Constitution that it deserves. For us to understand the tension and the feelings of the first citizens of Canada, we have to appreciate their perspective, as they have seen generation after generation of immigrant and settler come and share this land with them, and their position in the land has yet to receive the full recognition it deserves.

The first to come after those who had been here for thousands of years were the people we call les Canadiens: their home on the shores of the St Lawrence, their home in New Brunswick, their home in this province which is now called Ontario, their culture and civilization, their civil code, their values, their society, again, stemming so strongly from the history of this country and built into the experience of hundreds of years. There were battles and wars fought by rival empires for supremacy over this land, but whatever may have happened, the culture and civilization, the society whose centre is found in the province of Quebec, has been a distinctive characteristic and feature of our country.

We have been through this debate. We have shared this question of the words “distinct society.” We have had the exchanges on all sides. I just want to say to members that it was the view of this House just a few short years ago, in its vast majority, that we were prepared to recognize and we understood the importance of recognizing Quebec as a distinct society within Canada, within the Canadian federation. I want to say to the people of this province and to the people of Quebec that we recognize the distinctiveness. We recognize that Quebec has a distinct place in our federation with respect to its language and culture.

1410

Nous reconnaissons, avec un sens profond de fraternité envers la province de Québec et la population franco-ontarienne, l'importance de la présence de cette culture, de cette société unique et distincte dans notre Canada. En la reconnaissant, nous n'enlevons rien de notre propre identité. À mon avis, c'est une des choses uniques de notre pays, de notre cher Canada, le fait qu'on peut reconnaître la personnalité d'un autre et qu'on peut reconnaître les différences,

dans les traditions et dans les expériences, en même temps que nous acceptons avec joie le fait qu'on est tous des Canadiens, que nous avons une terre à partager, une histoire partagée, une expérience partagée et un partenariat qui, à mon avis, est inévitable.

The partnership between Canadians has a certain inevitability about it. We ought to recognize that fact and we ought to recognize that the value of success in these constitutional negotiations so far outweighs any alternative, so far outweighs any possible alternative, that we cannot possibly fail. We cannot allow ourselves to fail in this event.

Les Canadiens and our first citizens were joined over our history by people from all over the world: Loyalists coming from the United States seeking a different culture, a different society, a different set of values—peace, order and good government—immigrants who have come from all over the world, and we are all of us in one way, shape or form the sons and daughters, the children of all those people who have come here and who have lived here. And this is the society we are building together.

We are building a multiracial, a multicultural society. We are building a society that is multicultural and multiracial with its unique relationship to this land which we treasure. We are recognizing what is distinct and unique about us as Canadians, about what has made us different.

We have a Constitution, we have a country, because it is an expression of our common values as a people and it is a way for us to provide the framework, the institutions, the houses that we live in, both metaphorically and in real terms.

Why do we have these institutions and this government? Why do we have a Constitution? For some very simple reasons: to allow us to be ourselves, whoever we are; most fundamentally, to allow ourselves, our personalities, our identities, to be affirmed in our relationships with other people. That is what a Constitution must do. If a Constitution does not allow a citizen to say, “I see myself in that mirror,” a Constitution is not doing the job it needs to do.

What is so crucial in this recognition of the dignity of others and in our sense of mutual recognition of the dignity we owe one another is that we can do that and take nothing from ourselves. I lose nothing as the grandson of immigrants to this country in saying I recognize the unique characteristics of Quebec and I recognize the importance of the French fact in Canadian life. That takes nothing away from me. It takes nothing away from my children. In fact, it adds to their inheritance and to their culture and to their values in the future.

Members should think of what we are creating when our children can take as much pride in the success and in the quality of life and in the values and traditions of the native citizens of Canada as they can in their own. That is not taking anything away from us. We do not have to live in a society where everyone has to be the same or think the same or look the same. What is unique and great about this country is that we can affirm the dignity of others with a spirit of generosity and take nothing away from ourselves. That is the self-confidence we must have.

A country and a Constitution have to allow us to work and to create wealth and to make our way in the world, and so all the talk about the economic union and all the talk about how the Constitution and the real country have to work economically is important. It is not irrelevant. It is important. It is vital. I believe the Constitution has to allow us to take care of each other. That is a very important part of living in a community. Yes, we work for ourselves. Yes, we want to do well in the world. Yes, there is nothing wrong with that. It is important. It is vital. It is crucial. It is a critical basis for any society.

But we have to be prepared and understand and recognize that we get sick and we get hurt and we need to provide for one another when that happens. One of the features of our society, one of the things that has made us unique in relation to other countries around us, to the United States just south of our border, is that we have decided to create a society in which we care for ourselves in a different way. When we made Canada, we were not only making it in terms of the experience of the people who have come here; we made a decision to create a country here and not to join some other country, to make a country ourselves. That is what we have done.

I say those things because as we get into the more technical aspects of the discussion so many things get lost in the works. We begin to argue about whether this clause should go here or there. Everyone in the House knows what the next few months are going to be like. Should the phrase be here or should the phrase be there? Should this clause be here or should this clause be there? We start to get overwhelmed with the technicalities of this discussion. I think it is important that we start from some very basic premises. A Constitution is about building a common sense for Canada. That is what it is about. It needs to respond to the commonsense view and vision that the people of this country have for Canada.

Having said that, I want now to turn to the federal proposals. I have said over the last couple of days that I think it is a good start. I think the fact of the matter is we now have a base for a far more intensive and productive discussion and resolution of the constitutional crisis that has affected this country so seriously. I do not agree with every aspect of the federal document and I will outline some of the questions that I have. The government has not had an opportunity and all the lawyers have not had a chance to look at all the things and give all the views about what various clauses mean or might not mean.

I really genuinely do not see this as a deeply partisan debate which has to divide the parties in this House any more than it should divide the parties in Ottawa. What I see is a federal proposal that has been based on a real effort of learning and listening to other people, a real effort at getting the dialogue and the discussion to this next critical phase of nation-building. The proposals are comprehensive and they are also complex. Without sounding too much like mumbo-jumbo, I have to say we are going to be studying them very carefully and we will be coming forward with more detailed responses as the months and days unfold. But there are some basic principles that we have taken to be important and we continue to feel important.

1420

First, we still believe very strongly that the process has to be open. The process has to be seen to be open. It has to involve the people of Canada.

Second, we have said all along that our endeavours must strengthen the unity of the country and the sense of belonging and shared purpose among all Canadians.

Third, the Constitution must be such that all Canadians can see their interests and aspirations reflected in it.

Fourth, we have built up a comprehensive network of social programs whose aim is to ensure that all members of our society have the opportunity to achieve their full potential. We continue to believe this is a very important element in building a stronger sense of national unity.

Finally, as I have said repeatedly in this Legislature and elsewhere, the economy is, after all, the real constitution of the country. We cannot solve the problems of national unity without at the same time addressing the question of the national economy: how it is managed, who benefits from it and how those benefits are to be distributed in our society.

I want to turn to a number of elements. I have already referred to the question of the distinct society. There will be lots of discussion about the exact words, about the exact place of where it goes, but I do not want there to be any misunderstanding about my views and the views of this government about the need for us to be generous and so expressive of the tolerance that is the best in Canada as we try to understand what is the challenge that faces the government of Quebec—any government of Quebec, regardless of its political stripe—and French Canadians across the country. It is to maintain a culture and a society that have been facing adversity, facing a world that is different from theirs for hundreds of years and whose culture and whose language and whose creativity as a society are an advantage, a plus, for Canada.

We have a lot to learn. Look at our labour relations and compare them to the state of greater consensus in Quebec. We have much to learn from the sense of solidarity that is being built in that society. I believe that. I believe as well that we have to build a stronger Canada and that building a stronger Canada and a stronger social and economic union should not be seen by anyone as a threat to that.

I listened carefully to what Mr Bourassa had to say yesterday. I was encouraged by it. I think we all should be. I think the questions he has raised with respect to the nature of the proposals put forward by the federal government are things we need to look at. I believe a strengthened economic union is crucial for Canada. On the face of it—and this is just on perhaps the first, second and third read-through—some of these proposals from the federal government seem to be more oriented to strengthening the federal government rather than to strengthening the economic union. You do not necessarily need to do that in order to strengthen the economic union. That is something we want to discuss with other provinces, including of course Quebec.

As a province, we have never historically felt that Senate reform was the most important part of the constitutional agenda, but we have to recognize and listen and

learn the fact that it is a very important part of the constitutional agenda for other parts of the country, for western Canadians and for a great many people in Atlantic Canada as well.

The federal government's proposals, I think, will form the basis of a very intense discussion, but I can tell members of this House we are going to have to do something to reform federal institutions—the Senate—in order to allow the various parts of the country to feel they have more of an impact on the decisions that are taking place in the centre. We have to be aware of that as Ontarians. We have to be aware of that sense of alienation that exists in western Canada and we have to be prepared to respond to it in a positive way.

Without getting wedded to any particular formulas or saying it has to be this way or that way, we recognize—and we are going to be participating fully in the discussion—the importance of this issue for many people in Canada and we are prepared and eager to discuss the need for change.

We are very interested in the federal proposals on other institutional changes with respect to the Council of the Federation, as it has been called. We recognize the need for us to build more effectively the links that tie the country together. I must say I am concerned about the number of institutions and layers that we are creating. I think it would be nice if we could keep it a little simpler in terms of what we actually end up with as a structure, so that it does not become so unwieldy that it cannot work. That is just a concern I have, but I think we have to work at making sure it works effectively.

On the federal proposals on devolution, I would just say that you cannot talk about that unless you are prepared to talk about how you are going to pay for programs, particularly how you are going to pay for programs in those provinces which do not have a sufficient economic and financial tax base to fund what is being devolved on them or what they are being asked to do.

This again is going to be the subject of some very intense negotiations and very intense discussion. That is one of the reasons why we as a party have talked about the need for a social charter, the need for a sense of social union to match the importance of economic union so that everyone can see that the two things go together, that they are not fighting with each other but they are being brought together, and so that we can in fact create the climate in which economic and social decisions can be made on behalf of Canadians, recognizing that provinces have their role and their part and their position to protect and to put forward, but recognizing that fundamentally we do want to create a productive society, a productive country, in which we are able to provide work and opportunity for everyone, which surely should be the objective we set for ourselves.

I think it has become clear over the last few days that the recognition in this document of the aboriginal right to self-government does not yet adequately reflect what, in our view, needs to be done. The reason that the words “the inherent right to self-government” have achieved such significance is because what those words signify is a recognition that there were societies and governments here before

1763 and 1774 and 1791 and 1840 and 1867 and 1982. That historical fact about Canada needs to be recognized.

I believe the next six months, the next year is perhaps the most critical period this country has faced since it was born. I was very encouraged by the approach taken by Mr Bourassa yesterday. It took courage for him to do that in the face of the changing winds and climates of opinion in his own province. It is going to take some courage on our part as well. If we just sniff the wind and watch which way it is going, then the country will be in even deeper trouble than it is today. We have to set out clearly the elements of constitutional reform that are going to bring the country together and allow it to work, and to work productively.

I say to the House, as I said to the leaders of the opposition parties yesterday, this government, this Premier, is prepared to work with everyone. I have invited Mr Bourassa to come to Toronto and he has accepted. I believe the discussions and the dialogue which must take place, the work of the federal committee which is under way, has to be based on this urge for consultation and openness, yes, but we must also face another reality and that is the collective capacity of this country to make a decision. This is where I want to close.

1430

The process in a democratic country of making a constitution is, to put it mildly, difficult because so many people feel excluded and so many feel uninvolved, and because so many people have concerns and points of view which they want to express and think are important to them. We are now reaching a period over the next few months when our ability to create structures which will allow people to participate will be tested.

I continue to believe profoundly that we must do that, but we also cannot forget the fact that we have to create a collective capacity to make a decision and to recognize that this is also an essential element of reform: the will to talk, the will to listen, the will to learn, and finally the will to act.

RESPONSES

CONSTITUTIONAL REFORM RÉFORME CONSTITUTIONNELLE

Mr Elston: I have said many times to several people that one of the roles of the Ontario Premier has always been to speak out about the sense of feeling this province has for the nation which has been so kind to us, and I have thought that for too long this gentleman who now leads our province has not been able to speak out with the emotion he expressed so often before he became Premier. He did not disappoint us today when he spoke with the sense of feeling and emotion which so many Canadians, so many people who now find themselves in Ontario, wish they could have had over the preceding months.

While he speaks today, he speaks of an optimism which all of us can feel and which all of us measure in terms of the desire to lead this province to come to the conclusion that a state of Canada without one of our provinces would not be the Canada we would like to see. We must have the accommodation the Premier speaks of. We

must have the language around the construction of our new Constitution which all of us will believe will provide each of us with the individual opportunity to grow to become the best person we can inside the social and cultural home we all desire. He spoke about that, that this must represent for each individual a home which is satisfactory for each of us as we relate to other people in our country.

I am happy he said that, because when all is said and done, all we ever really can conceive is the best social contract that has brought together a whole series of regions, of men and women who have arrived here one way or another to spend their natural lives in this land.

I grew up—some say I grew up, some have said I have not—and I have come through the 1950s, the 1960s, the 1970s and the 1980s in days in which there has been very little, if anything, that we could not grab on to; very little that we could not grasp to make our situation much better; very little that was not within the reach of us who were born in the so-called baby boom era.

For some of us, the concern and indeed the real underlying fear which confronts us with this new type of dynamic we are in is that we may not have that opportunity again. I say to the people who are looking in on this that if we cannot come to grips with reconstructing our nation, it will most certainly not be available for the children who follow us. That is what is working in my mind as I examine these documents.

I got a copy of this paper. I walked home with it last night and I walked to work with it this morning. It does not feel quite right yet and there is work to be done among all of us here, but also all of us who are looking in across Ontario, to make this feel like it is ours. While we try to make it feel like it is ours, we must make it feel like it belongs to all the people who live in the land that is described in every atlas as Canada.

If we change the word "compromise," when we try to arrive at that seemingly very easy objective, to read "accommodation," perhaps then we can find a home for all the individuals who want Canada to allow them to be the best individuals they can be; more particularly, for those of us who, like me, have come through the 1960s and 1970s in educational institutions, to ensure that our kids, and after them their children, can become the best they can be.

I am struck by the fact that almost everyone who does not have some political agenda other than the Canadian one has talked about accommodation, has talked about the starting point as being a good one. It instils within me the sense that the goodwill from the seaboard on the east to the west coast will inspire a whole lot of work by people to try and build a home for all of us who live in this province and for all of us who live in Canada.

While we go out and listen to all the suggestions that are going to be put before our committee here—it is chaired by the member for Victoria-Haliburton, who looks on with interest—and all the information that is given to the federal committee by all the people who want to respond with their ideas about how Canada can accommodate their individualism, accommodate their growth, after all is said and done it comes down in the end to leadership and decisions having to be made, decisions having to be

taken by men and women who have rightfully heard all there is to be said in the next few months about what there is to create the type of Canada that we all see accommodating the people who come after us.

While we think about the words we write here, we must think about the lives that will be affected by them. While we put our energies into creating new words in this document, we cannot forget about the lives that go on day by day and that need to be sustained while we build the new world according to the Constitution.

While we may live more by words than many others, in our society men and women still require work. They still require the support and the sustaining drive of people who have not deviated too much from the real world. The real world still afflicts women and men in Ontario with the fear of unemployment, with the fear of disease, with the fear of alienation and with the fear of violence, and governments need to put an end to those fears.

By this alone, we cannot end fear. By this alone, we cannot end uncertainty. By this alone, as men and women who have been elected to represent all of Ontario, we cannot come to grips with each problem. While we may put our stock in this in some academic way, men and women today require some practical demonstration that they have not been lost, that the energy and resources of all of us here have not been diverted from their plight, that they will not be forgotten in this generation in an attempt to create an ideal generation to come.

1440

Anybody who reads this document—and I have read it a couple of times, some parts more than others—will know that it does not provide the feeling that is needed to sustain our people. Words alone of course are not enough. Actions which fall from this are what will make us, as a society, measured a success by the people who put us here. Feeling the fear of people, feeling the insecurity of people, addressing their insecurity in a way which will build this into something real, is what in the end will prove our efforts successful.

I would just say to anybody here in this Legislative Assembly that we have been here before many times as a people, and we will be here again. The mark of legislators is their ability to respond to the moving nature of social and cultural and economic change. To hold this as the final product would be a very serious mistake. This is, as the Premier has said, a starting point, and the discussion which terminates after this paper has been resolved into action will be but a starting point; and the measurement of this assembly and the measurement of the politicians and the measurement of the people who provide the services to our society as it is reconstructed will be how well we eliminate the fear and insecurity and how well people are made to feel at home.

That is what this is: It is our home. For each of us, and for each man and woman who resides inside that area described on the map as Canada, there must be a sense that there is security for us as individuals in our home. That is our duty.

Mr Harris: I will not be at all lengthy today. I reviewed some of the comments that were made by the Premier, Mr Nixon and myself on March 27. I am very pleased to say that I sense in the country, from what I have read in the last couple of days, and I sense in this House today far more optimism than was prevalent in this chamber, than was prevalent, indeed, around the country, in the House of Commons, in the other legislatures, in the media, the newspapers, radio and television. It was very pessimistic.

In fact, after meeting with the Premier and the leader of the Liberal Party last night—and last night I read these comments—I was really surprised and a little shocked myself about how far we have come from that pessimism of just last spring, all three of us, in the remarks on behalf of our three respective parties, and truly, I think, on behalf of all of us in the House and on behalf of Ontarians, so I want very strongly to suggest, as we look at the awesome task ahead of us, the pitfalls that lie in the way, that in my view we have come a long way, we have come a long way just since last spring.

When I reflect on Meech and why Meech failed and the difficulties at that time, 99% of the comment really aimed at the process. It failed because of the process, or maybe it was okay but it was not understood. It was reported differently in different parts of the country because of the process, because of 11 first ministers, because all the legislatures were not involved, all of the people were not involved, all of the stakeholders were not involved.

If you reflect, sure, there has been criticism of commissions and how much they have spent and “Is this consultation necessary?” But look over the last six months and reflect and think how different this process is now—now it is not the Quebec round; now it is everybody’s round; now it is reconfederating Canada—and how much more complex that is. Think of Meech, the simple task, in comparison, that it had to do—“This is the Quebec round; How do we bring Quebec into the Constitution to get it to sign this document we finally brought home from England?”—and then think of the complexity now. It makes the optimism now to me even more satisfying, more exciting. You have to feel much more enthusiasm, I believe, for our ability to achieve success.

I want to talk in a few minutes about the process, not the specifics and not the details. Perhaps I will use one example of how we got derailed, because there is still some misunderstanding. We are in a much more open process, all of us, legislatures, the federal government, a much more co-operative process.

When you think of “distinct society” that the Premier referred to—I think it is important that we do talk about it—when you think of how “distinct society” was reported in Quebec and then how it was reported in Ontario, or in French Canada and in English Canada, surely you could not have believed you were reading the same document or even that it was reported in the same country. We have had great difficulty. I say to all of us here and, quite frankly, I say to the media, I say to all Canadians—it is not just legislators and politicians—that we must not allow 99% of reporting in English Canada to be different from 99% of reporting in French Canada. When we remind English

Canada about Quebec’s override of the charter and never mention Alberta’s override of the charter to take away rights from French-speaking Albertans, we must send a message—and I am sending it; I am happy to say it and I do not mind saying it—to the Quebec media: “You must not report Alberta’s override of the charter to take away French rights in Alberta, while never mentioning Quebec.”

We need to understand what is meant by “distinct society,” so I applaud the efforts of the federal government to come forward and say, or attempt to, anyway, to open the debate—it will be a long debate, I have no doubt—“Here is what we think ‘distinct society’ means.”

1450

The Premier very clearly is on the record, always has been, and part of that process of supporting Quebec as a distinct society, I believe he said, is with respect to language and culture. I know he means, as well, the justice system. To suggest that it is not distinct in those aspects is really not looking at history, at reality, at what Quebec is today. Is it majority French-speaking? It sure is. Is that distinct from the rest of it? It sure is. Is their justice system based on a different code? It sure is. It always has been. Do we have difficulties with that? I think the Premier was right. That does not take anything away from me, I do not believe, as an Ontarian, as a Canadian. When we are dealing with culture, is their culture different? Yes it is.

There will be those who will interpret it in such a way that it does take something away from us. I think we will reach a successful conclusion to this debate provided we are not saying one thing in Quebec and another thing outside Québec, we are not saying one thing in Ontario and another thing outside, we are not trying to define this to sell it to one group and then define it differently to another group. If we have learned anything from Meech, those days are long gone.

I mention that and some of the mistakes we have made in the past in the hope that we will not make those mistakes again and will not be afraid to talk about bilingualism and French language and what it means, how it affects Ontario, how it affects Quebec, because I, too, believe it can be interpreted in such a way, can be entrenched in the Constitution in such a way and can be applied practically in day-to-day life in such a way that it does not take away the rights of any of us. If we achieve that, we are a long way down the road.

I know there are many other issues on the table. It is now a reconfederation process, but we must remember as well that unless we deal with language and culture and the justice system in Quebec and with this definition, what we are dealing with is reconfederating nine provinces in Canada, not 10; we are reconfederating a different piece of geography than we are dealing with, or we are exploring how we are going to relate to a sovereign Quebec.

All I am saying to natives across this country and here in Ontario, and to other groups now seeking a greater understanding of their rights in the Constitution, that by putting some focus on Quebec it determines whether it is Canada’s geography as we know it today working on the social rights, on the economic rights, on how we are going to function as a country; on ensuring that while extending

these rights, recognizing the privileges that are there and recognizing the obligations that go with them, we are not indeed taking anything away.

I really am encouraged that all three parties here in Ontario and in the federal House and, from what I have sensed across the country, are prepared to work together. Perhaps it is necessity, because in my view our role has diminished, quite frankly. Perhaps we were never important, some may say, in the whole process, but I think the Premier, in the discussions yesterday, alluded to the fact that his views, the views of a Premier of a province, are not so important any more.

There is going to be some leadership required and the understanding that those of us involved are very important in shaping public opinion, but ultimately the people are going to decide. No more Meech Lake. No more going back to inform everybody how they are going to stand up and vote. That is not going to be the ultimate process out of this. We have recognized that in the committees we have set up, in the consultation, in how we are moving forward. I want to tell people and Ontarians that I am encouraged that we have not ruled out any possibility for that final determination, whether it is a national referendum, whether it is a whole series of provincial referenda. It seems to be that kind of debate, not the fact that there is not going to be a ratification process—not by me, not by my party and not by the 130 of us here, but a ratification by the people of this country.

We have not ruled out constituent assembly, even those who are violently opposed. That may be the ultimate way to both arrive at the package and perhaps to get representative groups to give their stamp of approval beyond the Premier's, beyond mine, beyond the Liberal Party's, beyond all of us 130. I am pleased with that and I think that is very important as well.

I appreciate our Premier sharing with the Liberal leader and myself the information he has, his understanding, those chats he does have—sometimes it is revealing—and the ones he does not have across this country, including in the province itself. I appreciate that because, more important than ever, the opposition parties, the leader of an opposition party is probably much more important than in the past.

The views of members as individuals—not because they are going to be the ultimate ratifiers; it is going to come from the public—are more important than they have been in the past too, because it is not 11 people with whatever advisers they have making the decision. It is the public, and it is us who can shape public opinion. It is us who can clarify or mislead depending on which it is we want to do.

I hope it is to clarify. So far there have been comments in the media from some who have a different goal of Canada, particularly in Quebec. I do not get a great sense that it is to clarify and to understand, but I think that is very much in the minority in Quebec, in Ontario and indeed across this country.

It is important that those viewpoints be to clarify—constructive and non-partisan. I accept that obligation, I

accept that responsibility and I take it very seriously, and I want the House and the Legislature to know that.

I indicated at our meeting last night, to the Premier and the leader of the Liberal Party and to the committee, that I am leaving next week. I am going out west to meet with the three premiers of the western provinces. One is a little tied up right now—two of them are tied up, but one is substantially, it appears to me, more than the other. The three premiers I am going to be meeting with, Monday with Premier Getty and Tuesday with Premier Filmon and Wednesday with Premier Devine—I appreciate the time of Mr Devine who, as we know, is tied up as well but who believes strongly in this country—were three who were involved pre-Meech, during Meech, post-Meech and involved now.

I am very interested in a two-way exchange. I am very interested in relaying to them the mood, the sense that has been reflected to our all-party, non-partisan committee here in Ontario, the collective understanding from the Premier, from the leader of the Liberal Party, from myself, from my caucus, from our people of what we sense the mood is in Ontario, our desire to find a solution and our understanding of what needs further clarification and perhaps some things that we may not find acceptable, and seeing how that meshes with the views of the western premiers on how they view their jurisdictions, how they view what their people feel, what their committees are saying, how they feel about native self-government, about distinct society, about a social charter, about the economic proposals and indeed the federal proposal itself.

1500

I hope that will help me understand a little better. I hope it will help them understand as best as I can convey it what is happening in Ontario to those individuals. I will report back to the Premier, to the leader of the Liberal Party and to the committee the sense that I receive next week as I embark upon this mission, which I think is important for me to do.

I really believe that we do owe it to ourselves to explore every opportunity to understand and to interpret correctly. It does not mean we have to agree with everybody. We never do, as members know. But I think if we truly understand and we are using the same definitions and we are trying to bring the light of day to what it is that provinces, regions, jurisdictions, people and different linguistic groups are looking for, I think they can be accommodated in a Constitution in Canada. That is the challenge.

I conclude by saying how much more optimistic I am. Some will say: "You silly fool, how can you be optimistic with this great challenge ahead? Look at the history and experience over the past period of time." I have been here in government, in opposition. I have been involved on the periphery and on the inside and at various levels. I have been involved with my constituents, more importantly, for 10 years on these constitutional issues. I sense a better understanding today than there was even six months ago. I think where there is understanding, there is a basis for agreement, there is a basis for consensus and there is a basis for a Constitution for our country.

ORAL QUESTIONS

BUDGET

Mr Elston: My speech drove my favourite minister out of the House. I am going to have to speak to the Chairman of Management Board instead of to the Treasurer. The Chairman of Management Board confirmed yesterday that he likewise would be making a statement next week about those steps to be taken to cut the funding that is going through the budget. I hope he will be a little more helpful than the Treasurer has been. I usually ask the questions and the press get the answers.

I wonder if the Chairman of Management Board could enlighten us a little bit on what we found out in the press today, that the colleges and municipalities will be bearing the brunt of the government's problem of managing its expenditures. I wonder if he can tell us if he is in favour of forcing municipalities to have to increase their property taxes to deliver the services they are currently delivering.

Hon Mr Silipo: I am not sure that the questions as they have been posed by the Leader of the Opposition fall entirely within my prerogative as Chairman of Management Board, given the change of the responsibilities in Management Board to treasury board. However, I will certainly attempt to answer the questions.

Let me say to member very directly and to members of this House that it is certainly not our intent as government to pass on our responsibilities as government to colleges or universities or indeed any other sectors. I think we believe very strongly that we have some clear responsibilities in those areas and we will do the best we can to live up to those responsibilities.

What we have been doing, as I indicated yesterday, is that we have been in the process of meeting with both union groups and employer groups in the broader public sectors to share with them the reality that we are dealing with in this year and heading into next year. We think it is our responsibility to do that and to make them aware of those realities.

Mr Elston: It sounds like the minister just said that if that is what it takes—ie, if that means municipalities will have to increase property taxes to deliver their services—then that is what will have to happen.

I want to ask the Chairman of Management Board, who is in charge along with the Treasurer of casting the entire cutting program on to the table for their colleagues to see, if he likewise agrees with the strategy of forcing colleges to accept also the responsibility for his mismanagement of the budgetary process. Then, having said that colleges will have to live with less, is he also in agreement with the Premier, who says that there will be no increase in tuition, and could he tell us then what option that leaves for the colleges?

Hon Mr Silipo: First of all, I would have to take strong exception to the notion that we are mismanaging our responsibilities. I think, in the face of growing pressures upon us in terms of social welfare costs and other costs, we are doing a very good job in responding to those needs and trying to maintain our fiscal responsibilities. I will reiterate to the Leader of the Opposition our commitment to

continue to live up to our responsibilities and to do so in a fair and equitable way right across the board.

Mr Elston: "Fair and equitable" is an interesting turn of phrase which we will bring back to the honourable gentleman next week as we review his cut-and-slash program, along with his colleague the Treasurer.

Can the honourable Chairman of Management Board tell us, along with the two new members on the losers' list which was viewed first in the papers this morning, who else is also on the losers' list? Who also will be bearing the brunt of his mismanagement of the budgetary process in Ontario?

Hon Mr Silipo: Again, I would have to take exception to the notion that there are losers and winners in this process.

Mr Jackson: Were you not the chairman of the Metropolitan Separate School Board? Have you forgotten?

Hon Mr Silipo: Actually, I was not the chairman of the Metropolitan Separate School Board, for the record.

I will just reiterate the point that we are going about this process of dealing with the budgetary pressures for the 1991-92 year, I think in a fair and reasonable way. The Treasurer will outline some of those steps in his statement next week and, as I indicated, I will outline some further steps that we will be taking, as the Treasurer will, with respect to the 1992 fiscal year.

Mr Elston: I want to thank the Chairman of Management Board for those enlightening answers. We will be waiting for his replies next week to our questions about fairness and equity as well.

EMPLOYMENT

Mr Elston: While I have an opportunity, I would like to talk to the Minister of Industry, Trade and Technology, the gentleman who reported to us on Tuesday about a paper which apparently was supposedly released by his colleague the Minister of Labour, but which later the Minister of Labour said was not available, the same man who reported to us that he had created some 1,291 jobs. When we checked with his ministry officials, the reply we got was extremely interesting. It was, "Whoa, we don't know where the minister got those figures."

Having come up with that, we were prepared to accept that he had someplace that he picked those numbers from, but can the minister tell us, while he was creating those 1,291 jobs through his ministry, what he was doing for the almost 1,200 people who have lost their jobs in the two businesses most recently closed down in the city of Barrie, General Tire and Kolmar? Can he tell us what those 1,291 jobs that he created are going to do for the over 1,100 people who have lost their jobs in Barrie?

Hon Mr Philip: I can tell the member that the figure I used was the Ontario Development Corp's figure as to jobs that were created as a result of investment by that corporation. I can tell him also that the union, the mayor and the company have all admitted that the unfortunate situation in Barrie is related to a downturn in the tire market throughout the world and in particular in North America; that we have met with the company; that I have met with the

mayor on two occasions; that I have spoken to the mayor; that my officials are meeting with the city of Barrie and with its industrial development people; that we are working on a series of plans to try to attract new industry to Barrie; that the Minister of Labour has his staff working with the company and with the employees and the union in that particular plant, and indeed that I met with the advocates.

1510

Mrs Caplan: They are leaving. They are not coming here to Barrie or anyplace else.

Hon Mr Philip: If the member would be kind enough to let me answer, I am sure that her colleague who asked the question would like the answer.

Furthermore, I met with the sector itself this morning to talk about new relationships with the rubber industry so that we can work with that industry as a whole.

Mr Elston: So far the reply has been that the minister is talking a lot, but for the men and women who will lose their jobs permanently in Barrie tomorrow, there is no relief and there is no relief of the fear and insecurity that those people feel.

Can this minister who talked to us about 1,291 jobs that he created tell us whether or not those 1,291 jobs will fill the void for the over 1,850 people who will lose their jobs under the Algoma restructuring that is currently going on? Is he satisfied that he has done everything he can to alleviate the dislocation, the insecurity and fear which are in the hearts and minds of the men and women of Sault Ste Marie who did not know about the 1,291 jobs that he created this past year?

Hon Mr Philip: I am pleased to say that this government has worked with both the union and the management at Algoma. A restructuring plan has been brought forward in its first phase that is acceptable to both the workers and the company. I say to the member then that as we work our way through that process, we will have a proposal that will be acceptable not only to the workers and the union and the company but also to the banks, as we put our final touches on that particular agreement by October 31, which is the deadline that both parties have been able to obtain.

Mr Elston: I have not heard how the 1,291 jobs the minister presumably has created are going to fill the void for those 1,850 people. Can he tell us how the people—

Hon Mr Wildman: I thought one of your other members, Mr Kwinter, was opposed to helping Elliot Lake.

The Speaker: Order. The Leader of the Opposition has the floor.

Mr Elston: Somebody from Algoma is testy because he knows the 1,291 jobs are not helping the 1,850 people who are losing their jobs.

I want to ask the Minister of Industry, Trade and Technology how his supposed 1,291 new jobs are helping the 250 people who have lost their jobs at Red Rock and what he proposes to do to assist that entire community, as it goes through the fear and insecurity of thinking about losing its entire industrial activity. I want the member who is now the Minister of Industry, Trade and Technology to tell us what he is doing, other than those 1,291 supposed jobs he

has talked about, to offset the insecurity that is being felt in Red Rock.

Hon Mr Philip: I believe the honourable opposition member's information on Domtar and Red Rock is not accurate, but we will be happy to answer that question later. Let me tell the honourable Leader of the Opposition that his party's position is to do nothing in each of those cases.

Let me just read what the official opposition critic had to say about Elliot Lake, and I quote from yesterday's estimates: "Elliot Lake is a community that has no reason for being where it is, other than that at some time it was perceived to be the location of uranium. But now that it is no longer competitive, people are pouring hundreds of millions of dollars to keep it alive. The economics of it do not make any sense."

That is what the member for Wilson Heights said. That is the opposition's position on Elliot Lake, "Write off Elliot Lake." The member should read the Hansard from yesterday. His critic said, "Write off Elliot Lake." He said, "No money to Algoma." He would have written off the whole town of Kapuskasing because he thought that was a waste of the taxpayers' money, and he did not want the workers at de Havilland to have a restructured company that would—

The Speaker: Would the minister take his seat, please.

EDUCATION POLICY

Mrs Cunningham: My question is to the Premier. The Premier is familiar with this document, A Canadian Social Charter: Making Our Shared Values Stronger. I would like to read from it.

"National standards are very important in promoting the Canadian economic union.... Differing standards for health care or social assistance can act as a barrier to inter-provincial labour mobility.

"Our education and training systems are also critical to future prosperity. National standards promote the economic union by assuring that these important programs play a comparable role throughout the country."

Given the Premier's proposal to entrench these principles in our Constitution, will he explain why Ontario is the only province to refuse to participate in a national testing program for education?

Hon Mr Rae: If the minister were here I would naturally refer the question to her, but she is not here so I will respond on behalf of the government.

I can tell the member that when I was in Alberta in August, Premier Getty and I discussed this question. We also discussed it at the premiers' conference in Whistler. I said to the Premier at that time, on the basis of the discussions I have had with the minister and the deputy over many months, that the concern that has been expressed by Ontario has to do not with the principle of evaluation, it has to do with the nature of the evaluation that has been proposed and with the fact that we do not feel the stakeholders have been sufficiently involved—the teaching profession, the school boards, the trustees and others—in this

national exercise. That has been the position. That is the position I put to Premier Getty.

As a result of those discussions, when the minister met last week with her colleagues in Edmonton—I believe the discussion was in Edmonton—there was a willingness expressed by everyone there to have another look at the concerns Ontario has expressed with regard to those two questions. So I would say to the member that Ontario has taken a view that I consider has been—

The Speaker: Would the Premier conclude his response, please.

Hon Mr Rae: I will leave it at that, and then the member can ask me a supplementary.

Mrs Cunningham: The Premier can finish with the second part. An article in this morning's *Globe and Mail*, subsequent to those meetings, suggested that if Ontario does not get its own way with the discussions over national testing, the minister will simply take her football and go home. I think there is a clear contradiction, and I am sure the Premier would agree, between these kinds of undertakings, the Premier's position right now on national testing and his proposals last week. I think the game has changed, given his proposals. It just does not make sense to call for these national standards in education while we are holding out and not working with the other provinces.

There is a time frame and perhaps, given what he has just said, I should ask him right now, is he going to discuss this with his minister and give her clear direction to work as hard as she can in the next few months, given that we are just now in a pilot project stage on the questionnaires?

Mrs Caplan: Yes.

Hon Mr Rae: I appreciate the member for Oriole, who while she was on this side of the House was always a model of brevity. I will answer the member for London North and say to her as directly as I can that it is not a matter of my issuing instructions to the minister. The minister has been playing a leadership role in trying to get a discussion with teachers and with other ministers of education about the kind of evaluation that makes the most sense for this country at this time.

We participate fully in international evaluations. It was initiated by the former government. We are participating in that. We are initiating a benchmark evaluation of the success and progress of our kids through schools, right the way through. An evaluative and an accountable system is what we are all aiming for.

It is not a matter of Ontario picking up its ball and going home; it is a matter of Ontario saying: "Wait a minute. Let's make sure the teachers are there. Let's make sure the trustees are there. Let's make sure we're doing it in a progressive and effective way." That is the approach we are taking, and we are still trying to make that approach succeed.

1520

Mrs Cunningham: All of us will appreciate the Premier's word "accountability," because that is what we are all here for. I should remind the Premier also that the other ministers have agreed so far in the progress that has

been made, and all of the other provinces are part of this solution.

With over \$13 billion being spent to educate our children, I think taxpayers, parents and students have a right to know if they are getting value for their money. Our children deserve to know that their education measures up to students in other provinces.

Right now I am going to ask the Premier, no matter what happens, will he put the his best efforts along with the minister into getting those people to the table, and no matter what happens, make it work so that Ontario can be part of a national testing scheme in 1994?

Hon Mr Rae: We are committed to an approach which we think is going to be the most effective in getting the teachers involved, because it really works much more effectively. They are the ones who are meeting the kids every day. It does not make sense to us to create a system they do not feel they are part of as well. We also want to make sure the trustees across the country and trustees' organizations are involved.

That is the approach we have taken, and I think it is the good approach. The minister has taken some heat on it because of some misconceptions and misinterpretations of our position, but in my view she has been doing a fantastic job in persuading the other ministers of the merits of this. I appreciate the member's advice.

ASSISTED HOUSING

Mrs Marland: My question is to the Minister of Housing. Yesterday my leader explained to this minister that it will cost \$2 billion to build 7,000 units at the proposed Ataratiri housing development. Her response to this was to say, "We are working hard on that to make as reasonable and practical plans for the future as we can." Surely affordable housing that costs \$250,000 per unit to build is not reasonable, practical, or for that matter affordable. My question is, when will she put an end to this ludicrous project?

Hon Ms Gigantes: The member for Mississauga South fails to indicate that yesterday in the House I indicated we were looking at all the options for this project. When I say all the options, I mean all the options.

Mrs Marland: I do not know how long this looking at all the options is going to take, because in the meantime nothing is being done to put additional affordable units on the market for these people who need housing accommodation today. The interest on this \$2-billion white elephant would be \$200 million per year. That means that each unit of housing will carry an interest charge of close to \$2,400 per month, year in, year out, interest only. That is without the cost of heating, hydro or maintenance. Clearly this level of operating subsidy is outrageous.

When the minister has all those facts before her, when will she tell us that she is pulling the plug on this multi-million-dollar sink-hole before any more time and money is wasted? How much more information does she need to tell her that to go ahead would be absolutely in the wrong direction?

Hon Ms Gigantes: I think before the member for Mississauga South relates facts to this House she might like to check them once, twice, three times. There is a great deal that is speculative about her description of facts, both in this case and in other recent cases.

She has suggested that nothing is being done to house people. I will point out to her that at this point in 1991 there are over 25,000 units of co-op or non-profit housing that are in one stage of the process of building or another. We are working very hard to provide affordable housing for people, not just in Toronto but throughout Ontario.

Mrs Marland: I would like to give this minister some facts out of today's newspaper under accommodation for rent. For \$2,600 you can rent a penthouse at the Palace Pier of 3,100 square feet. You can actually rent a luxurious house for \$2,500 in the downtown area with three bedrooms and a den and so forth. You can also, for \$2,490, rent in downtown Toronto a luxurious Victorian town home, and so forth and so on. What the minister is talking about is going ahead with a project at government expense that is comparable to what these kinds of places are renting for today.

I would suggest to the minister that when she is looking at what is available and is trying to make the decision, she should read the facts that are available today. It is a clear indication that government has no business in the housing business. When will the minister agree to take the money from this project and if not the capital investment, at least the interest on that money, which is \$200 million per year, and take that money to subsidize through a shelter subsidy program in which she could then provide accommodation for 65,000 families instead of 7,000?

Hon Ms Gigantes: While we are in the process of looking at all the options for the Ataritari area, I am sure that ministry staff would be pleased to hear from the member opposite if she has ideas about what those options might be. She is suggesting that before we look at options we ought to just put the land on the market. She suggests that this would easily provide alternative housing for people here in the city of Toronto. I hope she will take a very good look at the facts when we report to this Legislature on the best way we have been able to assess them. I hope she will put forward any options she has that would help us determine what will be the best kind of decision to make for Ataritari.

LANDFILL SITE

Mr Mahoney: My question is to the Minister of Municipal Affairs. As he knows, there are some municipalities in part of the area I represent that are somewhat upset with his seatmate the Minister of the Environment. There are some very high-profile political people in the community who are extremely upset with the Minister of the Environment. I see, and I hope that minister would agree, that his role as Minister of Municipal Affairs is as an advocate at the cabinet table for the municipalities.

I wonder how the minister reconciles his position as an advocate when he sits at the cabinet table and the Minister of the Environment says she is going to ignore a legal agreement signed between the city of Mississauga, the region

of Peel, and more important between the citizens of that community, to close the Britannia sanitary landfill site in 1992 after a 12-year lifespan, an agreement that was signed and put in writing. This minister has just arbitrarily thrown that agreement out and issued an order for the region to comply, to expand the Britannia sanitary landfill site, obviously to take all of Metro's garbage for the future.

How does the minister reconcile his role as an advocate, and what does he say to the elected municipal officials and the staff at those municipalities when they ask him why this minister is betraying those agreements that were entered into in good faith?

Hon Mr Cooke: I think the member and the critic for the Liberal Party should understand that this entire government—all the members of this cabinet—are ministers who support the environment policy of this government and support the environment. The decisions that have been made by our Minister of the Environment were made because there was not adequate planning in the past and because the landfill the member refers to was in fact, as I understand it, approved under the Environmental Protection Act. We are trying to find long-term solutions and long-term facilities for garbage in the greater Toronto area that will go through the Environmental Assessment Act, so that the people of this province and the people of this region will have environmental protection and also a place to put their garbage. I support very strongly, and this government and all the members of this cabinet do, the actions that have been taken by our Minister of the Environment.

1530

Mr Mahoney: I guess the minister did not understand my question. It was not an environmental question. As the honourable member is, I assume, the advocate—if he is not, maybe he could tell us and all the municipalities in this province—as the Minister for Municipal Affairs, sitting around the cabinet table, what does he tell the municipalities when he shoves things down their throats? I would just like to give the honourable member some idea of how they feel.

Interjection.

Mr Mahoney: Excuse me, are the members doubting the word of the mayor of Mississauga? Let me quote her. "Ruthless, hypocritical, dictatorial," was Mississauga Mayor Hazel McCallion's description of Grier." Those are not my words; those are her words. She feels betrayed.

This minister has issued an order, and the outcome of that order, if it is not obeyed, are fines of up to \$100,000 a day and jail terms. The mayor of Mississauga has said she is prepared to go to jail to fight this minister. The member is her minister at the cabinet table. Is he going to sit there while the Minister of the Environment puts Hazel McCallion in jail, or is he going to speak up for the municipalities of this province?

Hon Mr Cooke: I indicate two things to the member. First, all the cabinet ministers in this government are advocates for the environment. All of us are advocates for the environment. I also indicate to the member, if he wants to quiet down for a second and listen to the answer, that if he takes a look at the record of this government and our relationship

with municipalities, in the first year of government it is a good record and shows very clearly that we are sensitive to the needs of municipalities. If he wanted to understand that, all the member had to do was to show up yesterday at the AMO consultation with cabinet, where it said there is a clear and total difference in the relationship between the municipalities and the provincial government now that we are in power.

Interjections.

The Speaker: When the members have come to order, we can continue with question period.

ONTARIO ECONOMY

Mr Carr: My question is to the new Minister of Industry, Trade and Technology, and I would like to congratulate him on his new position. As he stated yesterday, it is a critical position in this government. However, leadership is action, not rhetoric, and the people of this province want solutions, not slogans.

I have in my hand some recommendations from the Ontario Chamber of Commerce, about 111 pages of concrete action on everything from health care all the way through to parkland. It takes about 15 or 20 minutes to read. I am going to send a copy over to the minister. Tonight, when the chauffeur is driving the minister home, I hope he will read through it. With traffic jams being what they are, he will probably get it done by the time he hits Spadina.

My question is very clear. When does the minister plan to implement any recommendations from the Ontario Chamber of Commerce, what recommendations will they be and when can we expect them to be implemented?

Hon Mr Philip: I have had a very productive meeting with the Ontario Chamber of Commerce and with a number of other business groups in this province. I have met with their president on some three or four occasions, as the Minister of Transportation and also, as the member probably knows, the president of the Ontario Chamber of Commerce is on the Premier's Council on Economic Renewal, on which I sit.

Their recommendations are being considered and implemented in the new economic strategy for the restructuring of the economy in Ontario and, when we announce that, I think he will see that many of the recommendations of the chamber of commerce, as the recommendations of other groups, will be considered.

While I am on my feet, I compliment the member for a very constructive and, I thought, interesting speech in his leadoff to my estimates yesterday.

Mr Carr: I thank the minister very much. Unfortunately he has come into a ministry where we see nothing but disorder, friction and malperformance, and the people of this province want answers.

Page 2 of that same report I sent over to the minister says:

"The planning process for any long-term project in the province of Ontario was seriously undermined last December when the Minister of Transportation"—lo and behold, the now Minister of Industry, Trade and Technology—

"announced the withdrawal of the provincial funding for building of the north-south link.... Over 30 years of planning, land acquisitions, months of consolidated environmental hearings, a supportive ruling by the Supreme Court and over \$70 million has been spent on this project."

In today's report in the paper—as the minister will remember, he had an opportunity to meet with the president, the chief executive of Ford—the headline reads "Potential Disaster" in regard to some of the legislation brought in. My question is very, very clear. Why should anyone believe the minister when he says he is going to work with business in Ontario?

Hon Mr Philip: The particular decision we made was an environmental decision, and it was a cabinet decision with regard to Hamilton. Indeed the money is still in there, and it is building roads and infrastructure in the Hamilton area. I am proud that I happen to have made an environmental decision when we made that decision, as did our party, and I think it is supported by a large number of people in the city of Hamilton.

But the member asked me the question, why should anybody be interested in investing in this province? I tell him that the president of the chamber of commerce no less has suggested, and I have certainly agreed, going with me to the United States to meet with investors to tell them Ontario is a good place to invest. Let me tell him this. Just recently, Leo Sakada Electronics in Singapore is investing \$3 million in the greenfield operation of the municipality of Thunder Bay; Ilkay Inc of Korea, \$4.5 million in North Bay; Eli Lilly, \$50-million expansion of its Ontario manufacturing plant; Upjohn—

The Speaker: Would the minister take his seat, please. Perhaps on another occasion he could respond a bit more promptly.

JOB SECURITY

Mr Abel: My question is also for the Minister of Industry, Trade and Technology. Keeprite is an important industrial employer in Brantford. Recent accounts in the newspaper had said that the firm could close down because the company was rationalizing its operations in the United States. Can the minister explain the status of the situation?

Hon Mr Philip: I would be happy to. Keeprite in Brantford is an important industrial employer in that region, and recent newspaper accounts said the firm would close down. I am pleased to inform the member that Keeprite has decided to rationalize the production of all residential and commercial heating and cooling products in its Brantford plant.

This is obviously good news to the region since the decision will immediately save more than 300 jobs in Brantford and the company's plans call for the doubling of employment levels over the next five years. This means transferring jobs from the United States to Brantford and to Ontario. I am proud that this has happened to us.

1540

TRUCKING INDUSTRY

Mr Kwinter: My question is for the Minister of Industry, Trade and Technology. Last week hundreds of businesses and thousands of people suffered through the fifth tie-up in the last nine months of traffic at the Ambassador Bridge in Windsor. At a time when the most senior members of the cabinet met night and day considering options because of the impact of Toronto's transit strike on the people of this city, no one in this government could find one minute to travel to Windsor to attempt to resolve the latest and most devastating blockade of trucks. The minister knows that much of Ontario's industry depends on just-in-time delivery and that the blockade had a significant impact, shutting down a number of assembly lines in the province.

I see the minister is looking at the Minister of Transportation. I would like the minister to tell this House why not one representative from the NDP government could find time to travel to Windsor to get involved to ensure that business, workers, truckers would do something to make sure that the lost production, particularly in the automotive industry, could be resolved. This is not a transportation problem; this is an industry problem. I would like the minister to answer that question.

Hon Mr Philip: It is both an industry and a transportation problem and the Minister of Transportation will be pleased to answer the question.

Hon Mr Pouliot: I welcome the question from the member opposite because he is most aware that although Ontario has 40% of the trucking business in this country, Quebec being second with 17%, giving central Canada a total of 57%, he is also cognizant that we have a monopoly on blockades.

Why was the minister not at his post like a sentry to address the truckers in Windsor? Because the minister could not be in two places at once. He was in Winnipeg at a ministers' conference, meeting with the federal minister, with the chairperson and with the president of the Ontario Trucking Association, informing his colleagues across the country of the need to have a better depreciation allowance for truckers and of the difficulties with which truckers are faced in terms of the transition with the recession coupled with free trade.

Interjection.

Hon Mr Pouliot: I was there. Where was the member?

Mr Kwinter: I hope the minister will realize he is the government and we are the opposition. It is his obligation to be there, not ours.

Not a long time ago the minister's political cousin in Ottawa, Steven Langdon, staged his own illegal protest on the bridge. That really set the pattern for what has been going on, so it would seem to me that maybe the minister's reluctance to go to Windsor is because he seems to have some sympathy for Mr Langdon's position.

I suggest to the minister that he be aware of what has happened in the Windsor city council, which passed a resolution asking this government to amend the Highway Traffic Act. In addition, the Windsor Chamber of Commerce

faxed a letter to my colleague the member for Essex South asking that action be taken to prevent Windsor from becoming the blockade capital of Canada.

The Speaker: Order. The member's question?

Mr Kwinter: The minister has found a new religion, and that new religion is co-operation with business. When is he going to act as if he had any kind of concern about what is happening to the business community in Ontario?

Hon Mr Pouliot: We have and we will. Partnership with business, with the private sector is a religion that the member opposite and I and this government have in common indeed. We are awaiting the competitiveness studies. There are two of them, and they are an important factor in our relationship and the long-term solutions vis-à-vis the dilemma, the impasse that is faced by the truckers.

We are putting the final touch to the competitive studies. They will reach us. It would analyse the difference between the way business is conducted in the United States and our competitive advantages and/or disadvantages in Canada, and it will parallel a federal study. Then we will have all the tools at our disposal to address the problem short-term but, more important, to look at the long-range solution so that the present confrontation will become the order of yesterday, not the order of the day.

We have a responsibility not to impede the flow of traffic. We are law-abiding. We invite people in the trucking industry to negotiate with us. Our door is always open and we do not do it in the climate of confrontation. We identify the problem. We seek solutions. We are very concerned and we are acting on it.

ELECTORAL DISTRICT OF BRANT-HALDIMAND

Mr J. Wilson: On behalf of my leader, the member for Nipissing, I have a question for the Premier. Last night I, a number of my caucus colleagues and my leader met with hundreds of residents in the riding of Brant-Haldimand. These good people are anxiously awaiting the Premier's call for a by-election. I recall that when the riding of Welland-Thorold became vacant in 1988, he demanded that the Premier of the day call a by-election. He said, "People are entitled to local representation." When will the by-election in Brant-Haldimand be held?

Hon Mr Rae: There are many answers I could give, but some of them would get me into even more hot water than I am in at the moment. I would only say to the member that we are obviously looking at the situation. I think, if he has some sense of the history of this place, that the delay has not been unduly long. Obviously I am aware of my responsibilities to ensure that the people of Brant-Haldimand have representation in the House.

Mr J. Wilson: I think the Premier would agree—at least he agreed when he was in opposition, but I guess that was then—that the residents of Brant-Haldimand deserve representation at Queen's Park. In fact in the good old days, as far as we were concerned, when he was on this side of the House, he went to great length to give us and my former colleagues in the House lectures about democracy and the need and the right of people to be represented in this chamber.

The last Premier, he may recall, the guy who is not here any more, played politics with the people too. He played politics with the timing of the last provincial election and he paid a tremendous price for this. So I am going to ask the Premier again: When will he call the by-election in the riding of Brant-Haldimand which the people deserve and want now?

Hon Mr Rae: The length of time of the vacancy has not been long. The former member served for a good part of the summer. That is a reality. I think it is worth pointing out that we have a responsibility to fill the vacancy with respect to an election within a reasonable time after the vacancy has been declared, and we will certainly do that. That is exactly what we are going to do.

ADVOCACY AND GUARDIANSHIP

Mr Owens: My question is to the Minister of Citizenship. Recently the Toronto Star has contained several articles with respect to the new Advocacy Act that our government will be bringing in. The articles have implied that many seniors and many people with disabilities will require advocates. I am wondering if the minister can clarify for the House and for the people of Ontario exactly what the role of advocates will be and who will require advocates.

Hon Ms Ziemba: I am very pleased to respond to this question and help to clarify some of the misconceptions that have arisen. As members know, over the past 16 years coroners' inquests have asked to have an advocacy system in place. Previous governments have asked to have an advocacy system in place by having the Fram report and the Sean O'Sullivan report. We know the system is needed.

The goal of the legislation is not interference but autonomy. Those who do not require advocates will not have advocates. The vast majority of seniors and disabled people do not require advocates; they live independently. Others have families and friends who can assist them. That is the way it should be. What the advocacy system will do is to assist those who are especially vulnerable, those who have been vulnerable to exploitation, neglect, coercion and abuse because they are alone or isolated.

Mr Owens: Some of the articles, and members of the Doctor Save caucus, have brought up the issue of cost. Can you explain to the members, Doctor Save caucus, why it is important that we bring in this act and why every single penny spent on this act is an important penny spent?

Hon Ms Ziemba: It is our conviction that this act will go a long way towards addressing some of our long-standing social injustices. Even though some of our disabled people and seniors are in need of our protection and care, they should continue to make their own decisions and exercise their rights to the extent that they are able. The Advocacy Act is going to assist them to be able to do so.

I think we heard the Premier speak very eloquently today about the fact that we as a country want to have social justice and we in our country want to take care of each other. The advocacy system will do that.

1550

EXPO 98

Mr Ruprecht: I have a question for another minister in hiding. I would hope he will be presently coming forward to get this question. The question is really to the Minister of Tourism and Recreation. In the meantime, let me ask the government whip, since the minister is not present—

The Speaker: To whom is your question directed?

Mr Ruprecht: I have a question to the government whip, Mr Speaker. As you can appreciate, we have no choice on this side. The Premier is not present, the Treasurer is not present, the Minister of Tourism and Recreation is not present, the Minister of Community and Social Services is not present, the Minister of—

The Speaker: Would the member place his question, please?

Mr Ruprecht: You can see why I am almost forced to ask the chief government whip. Would the chief whip—

The Speaker: Will the member take his seat, please?

Hon Mr Wildman: On a point of order, Mr Speaker: I really do not want to belabour this, but is it not against the rules of this House to comment on the presence or absence of another member?

The Speaker: The basic nature of this exercise is to identify a minister to whom you wish to address a question and then to go ahead and address the question. Would the member please get on with it?

Mr Ruprecht: Mr Speaker, thank you very much indeed for your comments. I just want to remind you that in my search for a minister to address this question—and I have stumbled across a serious item in this government's agenda—

The Speaker: Would the member place his question, please?

Mr Ruprecht: There is no one there to ask questions of in the front row. That is why I am forced to ask the government whip, and I will therefore place my question to her.

The Speaker: Quickly.

Mr Ruprecht: Would the government whip—
Interjections.

The Speaker: Order.

Mr Ruprecht: Thank you, Mr Speaker. Would the government whip not agree that the opposition has a right to ask questions on any government expenditure that has taken place? Consequently, my question to her is, if a minister of this government is not producing either a press release or a statement by the ministry to this Legislature, would she not then agree that is not the way we work in this House, and traditionally we will not be able to carry on our government business?

Hon Mrs Coppen: The member has every right to ask a question of course. If I am not mistaken, the opposition is informed when our ministers are not going to be in the House. Is that not correct? My ministers are away on government business right now and the opposition is notified

of their absence. There are times when ministers will be absent from the House because they have to make emergency phone calls or be back in their offices, but that is only briefly.

Mr Ruprecht: I just want to remind the government whip again that on this list that she has produced here today, there are at least five ministers I can tell her are not present today. Consequently I am very unhappy about this and sorry to say that we are not able to continue, in this government's business, to raise questions in the Legislature.

But my question, Mr Speaker, was really different. You indicated earlier that it is our right to ask questions any time the government spends taxpayers' money. I have repeatedly asked this. The Minister of Tourism and Recreation did not inform this House how much money this government has allocated to support our bid for Expo 98. He has not as much as produced a press release to tell this Legislature and our members so that we can ask a question in this Legislature. Would the government whip not therefore agree—

The Speaker: Would the member for Parkdale take his seat, please.

Interjections.

The Speaker: Would the member take his seat please, now. The member will recall that the standing orders are quite specific that supplementaries are to flow from the original question placed. We will have a new question. The member for Dufferin-Peel.

Mr Phillips: On a point of order, Mr Speaker: If you would refer to the question that the member asked, the supplementary flowed directly out of it. The problem was that I do not think the minister answered the question the member asked. I would ask you to look at Hansard and you will find that the member's question was directly around his supplementary.

The Speaker: To the member for Scarborough-Agincourt, I will indeed be happy to review Hansard. My understanding was that the question originally posed had to do with the attendance of ministers in the House, and therefore I did not allow his supplementary. I will review the Hansard and report back Monday. I have recognized the member for Dufferin-Peel.

Mr Ruprecht: Mr Speaker, on a point of order—

The Speaker: Is this on the same matter or something else?

Mr Ruprecht: Would I be able to address the Speaker, please? Is that possible?

The Speaker: The member should be aware that we are utilizing question period time. I have undertaken to review Hansard and I will report back to the member as quickly as possible. The member for Dufferin-Peel.

LAND REGISTRATION

Mr Tilson: I have a question to the Minister of Consumer and Commercial Relations. The closing of 14 registry offices across Ontario has been and continues to be of great concern to the members of my party. Through our efforts, witnesses from across Ontario appeared before the

standing committee on general government last July to tell the minister that her plan would result in irreparable harm to local communities. Throughout the hearings, government members of the committee continually displayed obedience to the decision of the minister and it was clear that they did not care about and were not listening to the concerns of those appearing in front of them.

This obnoxious and arrogant attitude was reinforced by the ministry's decision to close the Toronto registry office while the hearings were still in progress. Since then, Bowmanville has been closed and Arthur is set to close next week, while the report from the committee has yet to be reported to this House.

My question is whether the minister feels this course of action is fair and democratic, and will she agree to stop any further closures until the committee has reported back to the House on its findings?

Hon Ms Churley: The answer to the first question is that, yes, I think this is a fair and equitable decision to make, and yes, I will continue to try to keep on schedule in terms of the integration of the land registry offices.

Mr Tilson: It kind of makes our whole system a sham when she consents to going through those hearings knowing full well she is going to ignore what we are going to be doing.

My supplementary question is this. In the April edition of Registration News, a newsletter of the Ministry of Consumer and Commercial Relations registration division, it was reported that the Strategic Alliance Corp, an alliance between the government and Real-Data Ontario Inc, would be incorporated in May and that business would start up and would follow in the next six months.

I am aware, as is the minister, that this corporation is now complete and that the company is now called Teranet. I am sure the minister knows the background surrounding the initiatives of Teranet and I would like the minister to tell us what the status of Teranet is today and what the relationship is between its goal to automate land registry offices and the closing of these offices across Ontario.

Hon Ms Churley: I suppose the question is related, but really it is two separate sets of issues, because the implementation of Teranet has absolutely nothing to do with the closing of the land registry offices. There is no connection whatsoever and I am sorry information is erroneously out there. I want to make clear that when Teranet does start up its business, it will in fact provide more up-to-date information to the land registry offices.

Since it is a supplementary question, I also want to remind the member that the decision to integrate the land registry offices was a cabinet decision. It was examined very carefully by myself, by my ministry, by cabinet, and in fact, I have read, at one time by members of his government, when the PCs were in power and they backed down, but Larry Grossman was quoted as saying, "It's a good idea."

We are moving forward with this and I still believe that it was the right decision to make.

One last point—

The Speaker: Would the minister conclude her response, please.

Hon Ms Churley: I have examined very carefully all the letters and comments that came through the committees and I still feel, after examining all the questions, that this is the right decision to make.

1600

POLLUTION CONTROL

Mr Johnson: My question is for the Minister of the Environment. I was delighted, and I am sure my constituents will be delighted, to hear the announcement the minister made today in the House. My riding of Prince Edward-Lennox-South Hastings has the longest shoreline on Lake Ontario of any riding in the province. There is a strong tourist industry there where people have an opportunity to swim in the lake and fish, and many people draw their drinking water from Lake Ontario.

My question to the minister is this: I would like to know if she could explain in more detail zero discharge and virtual elimination so I might have a better understanding of this and so my constituents too might better understand that.

Hon Mrs Grier: I am glad to elaborate on the concept of zero discharge, which has been the subject of much debate over recent years. The principle was first enunciated in an agreement signed between the federal governments of Canada and the United States, the Great Lakes Water Quality Agreement, in 1978. I know the member will share my pride when I tell him that we are the first government in the Great Lakes basin to take that principle seriously and to commit ourselves to putting it into practice.

What that agreement called for was the virtual elimination of persistent toxic substances from the Great Lakes basin, and that happens in two ways. It happens by cleaning up existing contamination, and I am sure the member has participated in the remedial action plan that has been working, with a great deal of public support and hard work in his own riding, for the Bay of Quinte.

The second part of virtual elimination is preventing the entry of any further persistent toxic substances into the ecosystem. That is done by phasing out and eventually banning the use of chemicals that do not break down in the environment or that cause death, disease or abnormalities, and that is the basis upon which the regulations of the MISA program will be developed, starting today.

Mr Offer: On a point of order, Mr Speaker: It is with respect to a response given by the Minister of Industry, Trade and Technology on September 24 in response to a question posed by the member for Wilson Heights. On that day the member for Wilson Heights posed a question dealing with a cabinet document, dated August 7, which outlined numerous controversial changes to the Labour Relations Act. Mr Speaker, I am reading right from Hansard, as you can see.

"The communications plan of this document outlined a detailed strategy for squashing all business concerns, and the most telling passage of this document is where the minister states, 'There must be a special effort made to neutralize all opposition from the business community.'"

The question contained a number of other aspects, but in response the Minister of Industry, Trade and Technology stated, and I read directly from the second sentence of the response, "He has a discussion paper out there." The "he" referred to the Minister of Labour.

About an hour later on that same day, we conducted, through the standing committee on estimates of this Legislature, a procedure where I posed a question to the Minister of Labour as to whether in fact there was a discussion paper out there around the Labour Relations Act, as the Minister of Industry, Trade and Technology had alluded to in his response to the member for Wilson Heights. The Minister of Labour indicated that there was not a discussion paper. I would have thought that the—

The Speaker: What is your point of order?

Mr Offer: My point of order is that I would like to give the opportunity to the minister, who surprisingly is here today, to correct the record. I would certainly hope that he is an advocate for—

The Speaker: Would the member take his seat, please. This is all quite interesting. It is, first of all, a committee matter, and second, points of order relating to anything that is recorded in Hansard should be raised at the earliest possible moment.

Mrs Sullivan: Mr Speaker, I have a point of order relating to the statement just made by the Minister of the Environment relating to the water quality agreement with the United States. The minister should know and in fact should have informed the House that this agreement has expired and she has not participated in negotiations to renew it.

The Speaker: That is not a point of order. It certainly is of interest to many and perhaps could have been contained in a response at the time.

Mr Offer: Mr Speaker.

The Speaker: Another point of order?

Mr Offer: No, Mr Speaker. You indicated that the matter should be raised at the earliest possible moment. The earliest possible moment was today when the Minister of Industry, Trade and Technology was here. I would have raised it earlier, but I do not believe he was present in the House yesterday. I wanted to raise it while he was present in the House so that he would have the opportunity to correct the record. I thought that would be done more as a matter of protocol and courtesy.

The Speaker: I appreciate the member's interest in these parliamentary matters. I am sure he is also aware that it would be more appropriate to raise it in committee, since it is indeed a committee matter.

PETITIONS

LABOUR LEGISLATION

Mr Runciman: I have a petition signed by over 600 employees of business and industry in Brockville and area expressing concern with respect to some possible announcements related to labour law changes and basically expressing concern about the ability of business and industry to compete because of legislative programs and taxes

that have been instituted in this province over the past five or six years.

RELIGIOUS EDUCATION

Mr Cooper: I would like to present this petition on behalf of the member for Perth. It has 95 signatures and it is objecting to only evolutionism being a compulsory core unit in the history and science Ontario academic course. It goes:

"To the Legislative Assembly of Ontario:

"We, the undersigned, petition the Parliament of Ontario as follows:

"The Ministry of Education has made evolutionism a compulsory core unit in senior OAC, previously grade 13, history and science. Since evolutionism and creationism are completed acts in the past, neither can be proven or disproven. In fairness to all parents and students, equal time should be given in presenting the underlying assumptions of each. Through the two-model approach, the skills of critical thinking, such as recognition of bias, awareness of society's influence on one's bias and the awareness of assumptions, can allow students to examine their own belief system and better appreciate an opposing view."

1610

REPORTS BY COMMITTEES

STANDING COMMITTEE ON ESTIMATES

Mr Jackson from the standing committee on estimates presented the committee's report as follows:

Pursuant to standing order 58(a), the following estimates are reported back to the House, as they were not previously selected by the committee for consideration, and are deemed to be received and concurred in: Office of the Assembly, \$127,057,000; Office of the Chief Election Officer, \$1,096,300; Ombudsman program, \$9,716,500; and Office of the Provincial Auditor program, \$8,025,000.

The Speaker: Pursuant to standing order 58(b), the estimates not selected for consideration by the standing committee are deemed to be concurred in.

ORDERS OF THE DAY

House in committee of the whole.

La Chambre en comité plénier.

EMPLOYMENT STANDARDS AMENDMENT ACT
(EMPLOYEE WAGE PROTECTION PROGRAM), 1991

LOI DE 1991 MODIFIANT LA LOI
SUR LES NORMES D'EMPLOI
(PROGRAMME DE PROTECTION DES SALAIRES
DES EMPLOYÉS)

Consideration of Bill 70, An Act to amend the Employment Standards Act to provide for an Employee Wage Protection Program and to make certain other amendments.

Étude du projet de loi 70, Loi portant modification de la Loi sur les normes d'emploi par création d'un Programme de protection des salaires des employés et par adoption de certaines autres modifications.

The Second Deputy Chair: Are there any questions, comments or additional amendments? The table would

very much appreciate having them now if different parties do have questions, comments, or amendments in particular.

Hon Mr Cooke: Mr Chairman, I believe there is an agreement among the three parties that any amendments that are divided on will be stacked until we have completed the bill.

The Second Deputy Chair: Is it the pleasure of the House that we stack all amendments until completion of the bill?

Agreed to.

Ms S. Murdock: I would ask that the minister and myself be allowed to sit at the front, close to our staff.

The Second Deputy Chair: Is it the pleasure of the House that the parliamentary assistant and the minister be allowed to move down to the table in the front row?

Agreed to.

The Second Deputy Chair: We would like at this point to make sure that all members, if they have amendments to be made, bring them forth to the table now so that we could check them with the amendments presently filed with the Clerk to see if we have any duplicates, and then we could proceed with Bill 70.

Mr Offer: We will be moving amendments to section 5 of the bill, section 6 of the bill and section 16 of the bill. I believe, Mr Chair, that you do have copies of those amendments and the subsections under the sections that we will be moving amendments to, and I believe members of the opposition and government also have copies of those amendments.

The Second Deputy Chair: I thank the honourable member. Yes, we do have copies of the official opposition's amendments to Bill 70.

Mrs Witmer: We also have amendments to the bill and they refer to section 5 of the bill, section 5 of the bill again, section 15 of the bill and section 17 of the bill, and we have submitted those amendments.

The Second Deputy Chair: Any other amendments to Bill 70? We will proceed with consideration of Bill 70.

Mr Offer: As a preliminary matter as we start with the committee of the whole, there was a request made during the committee that we might be able to receive information from ministry staff as to what they feel will be the average payout under this particular plan. To date, I have not received that information and I was wondering if that information is now available.

The Second Deputy Chair: Possibly the Minister of Labour may want to comment on that.

Hon Mr Mackenzie: The average claim at the moment is \$4,200.

The Second Deputy Chair: Any more comments prior to consideration of Bill 70? We will now proceed in the normal sequence.

Mr Offer: On a point of order, Mr Chair: I ask that we stand down discussion on sections 1, 2, 3 and 4 at this point in time to the end of our deliberation and commence with that part of the bill referred to as section 5, which is entitled "Employee Wage Protection Program." This is in

keeping, in large measure, with the procedure undertaken by us in committee deliberation.

The Second Deputy Chair: Normally we would be proceeding with the first, second and third sections. However, the honourable member for Mississauga North has requested that we put off discussion of sections 1, 2 and 3 until the end of consideration of Bill 70. Do we have agreement on the request? Would that request also include section 4?

Mr Offer: Yes, I believe I alluded to section 4 also.

The Second Deputy Chair: Are we all in agreement to postpone discussion on sections 1 to 4 until the end of the proceedings?

Agreed to.

Section/article 5:

The Second Deputy Chair: We will now be moving into consideration of section 5 of Bill 70. We do have a number of amendments to section 5. We have an amendment to section 5 of the bill proposed as subsection 40b(2) of the act, a Progressive Conservative amendment.

Mrs Witmer moves that subsection 40b(2), as set out in section 5 of the bill as reprinted, be struck out and the following substituted:

“(2) When an employee is compensated by the program, the wages for which an employee may receive compensation are regular wages and vacation pay.”

1620

Mrs Witmer: At this time I would like to make some comments regarding the intent of this amendment. I think it is important to recognize that Bill 70 presently still does have some flaws. I think it is extremely important to consider this in the context of the harsh economic circumstances and the other NDP policies. Also, we have to remember that this bill will contribute to the already deteriorating incentives to do business in Ontario. Certainly some of the points within this legislation will prompt more businesses to move south in search of a much more favourable business environment.

Our intention here is to limit the definition to earned wages without the inclusion of severance and termination. I think it is important to remember that under this bill when a payout is made to an employee, about 10% will be to reimburse the employee for wages and vacation. However, 90% will be devoted to paying him or her for severance and termination.

We are also proposing this definition because it parallels the proposed federal program. We are also very concerned, as I mentioned at the outset, about the economic climate. We really question whether we can afford to be quite this generous at this time. We have to remember that we do have a \$9.7-billion deficit and that there is a projected doubling of the provincial debt to \$77 billion by 1994-95.

We have already learned that this fund is going to cost \$175 million in the first 18 months. That is assuming 56,339 workers access the fund. By 1992-93, assuming we do have a return to normal economic conditions, an additional 19,411 workers will access the fund at a cost of \$55.33 million.

We also need to remember that the amount of the average claim has increased from \$3,254 to \$4,200, as was reported to us in July of this year. We need to consider the impact of the changes that are being proposed by Bill 116. These are the changes to the termination, and it would certainly make the program much more expensive if those changes were to be accepted by this government.

We need to remember that workers are protected by the unemployment insurance system and we have to remember that the minister did indicate that workers who have received their unemployment insurance premiums from the federal government may have part of their employee wage protection program claim clawed back, because the federal government does deem severance and termination pay as income. In essence, the provincial government could well be paying the federal government.

Also, this expanded definition expands the immediate liability of directors, as they were previously not liable for termination or severance pay. Thus, it is going to increase the cost of running a business in Ontario, as companies now are going to be forced either to set aside vast amounts of cash in case of a future insolvency situation or obtain liability insurance, which many of them are finding it almost impossible to purchase in the first place. The cost of doing business in this province is going to increase if the government expands the definition to include severance and termination, and there will be less money available to actually help provide jobs for employees.

These are some of the reasons. I would like to add one other. We have to remember that this definition of the wage protection fund includes not only those people who are unemployed, who lose their jobs because of bankruptcy. This also includes now under this bill those who are employed and it includes the amounts owing them in compensation for violating pay equity or pregnancy leave requirements or for wrongful dismissal for refusing to work on holidays and the like. So in time this bill, if we were to take a look at the definition that is presently being proposed, could become a tremendous burden for the taxpayers and the business people in this community. Thus, we would like to see the definition of wages limited to actual earned wages.

Mr Offer: I would like to talk to this particular amendment because it brings back some of the representations and presentations which we heard during our committee deliberations. Certainly we on this side of the House will recognize that we were dealing with what we felt to be an extremely important bill, important not only in terms of its substance but also in terms of the principle and the message it was conveying to a great many people in this province.

One of the problems we had at the outset was that in recognizing and embracing that particular importance, we would have appreciated, and certainly wanted, a great deal more time devoted to this bill and to its deliberations. We wanted more time to allow more people to be part of the process in the committee room. We wanted to be able to travel throughout the province so that more people who are in business, who are the victims of the recession, would have had the opportunity to come to the committee to talk

to us about what this bill means to them and indeed how this bill could be improved.

Unfortunately, when that motion was put forward by us in committee, the members of the government and in fact, with all due respect, the members of the third party voted against travelling. I think that will be something which will always be the subject of criticism of this particular bill. At a time when we were in the worst recession since the 1930s, when 250,000 jobs had been lost, when bankruptcies were soaring, when optimism and confidence were at a very low ebb, the government members decided not to travel, decided not to listen to business, to those victims of the recession who just a year or two ago had a job, had optimism, had confidence and now did not.

That is something we will have to carry with us as we deal with these deliberations, because we did not hear from people in the Windsor area, we did not hear from people in the Ottawa area, we did not hear from people in the London area, we did not hear from people from northern Ontario. We heard from people in the area surrounding the Toronto area. The presentations and submissions were very good, but I think all will recognize that it was an obligation, if not a responsibility, of ourselves to vote in favour of travelling on this particular bill. Though we and our caucus did recognize that, we are certainly sorry that was not the case.

I think that before we deal with this particular amendment, we have to recognize that the bill is really of two parts. The first is the part which talks about a fund for employees to access, to come and receive dollars as the result of a loss of wages, vacation pay, termination and severance. That is one area of the bill, an important area of the bill, but it is not the only part of the bill.

There is a second part to the bill which talks about in many ways the enforcement aspect of the bill, that being what happens when an employee is making application to the fund and receives money. What steps are taken through the employment standards branch to try to recoup some of those dollars? That is the enforcement aspect.

During our discussion of this bill today, and if unable to complete it today, then in the future, I think we have to keep that very clear distinction in mind. There is the access portion of the bill, there is the enforcement portion of the bill, and in many ways, although of course they are within the same bill, they are not in fact related.

1630

The proposal put forward by the member for Waterloo North is one that says that the funds which an employee may have access to through the fund are to be limited to wages and vacation pay; therefore, severance and termination will be excluded.

We had some very good discussion around this particular point and there was no question that a great number of people brought forward their opinions on this matter. When I heard submissions made, many by the small business persons in this province, they indicated that they recognized their obligation. They knew what was owed by them to their employees. They understood that and accepted that. In fact that type of obligation and responsibility

is now found under the Ontario Business Corporations Act. This bill does not create any new rights.

The parliamentary assistant, who is now looking at me, will be saying, "Well, we think it does." In fact we have had that discussion and I believe this particular bill does not create any new right of access to funds by employees. It does create an enforcement mechanism, but it does not create anything new that is not now part of legislation somewhere in this province, particularly under the Ontario Business Corporations Act.

But I note that under the Employment Standards Act there is a recognition that termination pay, severance pay in certain instances, vacation pay and of course wages are things that are earned under the Employment Standards Act. I and my caucus have thought long and hard about the whole limitation aspect of the bill and what it means. We believe that if a person is entitled to certain benefits under a particular piece of legislation, then he should be entitled to those benefits, and if a fund is set up by the government to secure those benefits, then so be it.

We believe that as a result this amendment flies in the face not only of the small business persons and many people who came before the committee discussing and accepting their obligations, but also of provisions under the Employment Standards Act, which we enhanced when we were in government, and we are quite proud of that. Though I understand very well the concerns indicated by the member for Waterloo North, I believe there are other ways in which this bill can be amended which come to grips with and meet the concerns of those people who came before the committee.

This amendment, in my opinion, does not do so. We will be moving amendments of a different kind and a different nature as we proceed through this exercise. I am pleased to see the Minister of Labour is here. I hope he will think long and hard about some of these amendments which both myself and my colleague in the third party will be bringing forward. They are amendments that are really in many ways the product of people coming to our committee. They are in many ways a recognition of the implications of this bill.

We understand the principle that was announced last October by the Premier. I believe it was stated at the very time the Premier announced the government was going to allow Varsity to leave this province. It was stated at that very time and at that very table. As they were allowing Varsity to leave this province, as the guaranteed employment levels that Varsity had already indicated would be lowered, and as the government and the Premier were saying, "That is okay," so they also indicated there was going to be an employee wage protection fund which was designed to secure wages earned by those employees who were the victims of the recession.

I think that when we talk about some of these sections in the bill, we will first see that the principles as enunciated by the Premier are not ones that are carried forward in this bill, that in fact this bill is not limited just to people who have lost their jobs as a result of the recession. I believe it will be necessary to fully debate that in this Legislature, as to whether we are, first, well aware that the

principle, the words of this bill, do not bespeak the principles of the legislation as previously announced by the Premier. That is going to be something we are going to have to talk about, something we are going to have to deliberate, and it is something in the end we are going to have to vote upon.

Though I speak against the amendment put forward by my friend the member for Waterloo North at this time, I do so because there are rights, obligations, privileges and responsibilities which have been outlined and enhanced under the Employment Standards Act. These types of rights, responsibilities and enhancements can be met in a sensitive and secure fashion. We can address the concerns that have been raised by those individuals who came before the committee. Again, unfortunately the committee hearings were severely shortened. They were severely curtailed because of the lack of being able to travel on this committee on a very important bill.

I will be bringing forward amendments that I believe will meet those concerns. I know that I and my caucus have opinions on this particular piece of legislation. We have concerns as to what this legislation means, we have concerns about what message this bill has in terms of small business, small business creation and job creation in this province.

We believe the people of this province are looking at this point to members of this government to put some substance behind some of the speeches they make. If they truly believe in the importance of small business, then they will accept some of our amendments. If they do not, then their speeches must remain only words on a piece of paper, because the opportunity they have had through this deliberation to back up those words on paper with substance will have been lost. I look forward to a continuing debate on these and other issues on this bill.

Mr Carr: I am pleased to speak for a few moments on the amendment that was proposed by my colleague. I think the intent of this amendment is very clear; the intent was to parallel the federal program. All too often, as I take over my responsibilities as Industry, Trade and Technology critic, when we sit back and reflect what business says in some of the concerns it has, it is more about how the regulations and various programs interact. When you look at them, it often seems like governments at all levels, because of overlap and entanglement, do their very best to make it complicated. Instead of trying to smooth things down and make some of the programs run parallel so people can understand them properly, we attempt to make them head in different directions.

1640

It was interesting earlier today that we had the discussions with the Minister of Industry, Trade and Technology, who not more than about an hour or so ago went on and on about how they are listening to business and how this is the new government and they are trying to work with them. That proposal that I sent over for him to read on his way home this evening, when his chauffeur is taking him along the QEW back to Rexdale there, I hope he will flip to page 65 where they talk about what they would like to

see. I really think that the minister, being in such a high portfolio—in fact he was out yesterday in Oakville saying what a great job it was to have this position, but unfortunately around the cabinet table he must not have had much of a chance to speak up.

Businesses, through the Canadian Federation of Independent Business, which he again talked about having a meeting with, and also the chambers of all different sizes, had some concerns with the regulations. In fact, they list it, after taxes, as the number one problem for small business in Ontario. It is not the free trade agreement, it is not the cost and availability of funds or even the high Canadian dollar. They say the two biggest things are, number one, taxes, and number two, regulations. Instead of trying to simplify it, what do we do? We get two parallel programs that could work in conjunction and then we get them heading off in different directions, because governments try to claim that it was their idea first or that they cared more so they gave more.

Instead of thinking of some of the small businesses and trying to end this entanglement, when you look at it, it often appears to the people in the business community that governments do everything they can to make it very, very difficult. Most small businesses will need legal advice to figure a lot of this out. It is probably not a coincidence that most of the people writing the laws in the past have all been lawyers. They make it so difficult and so hard to understand that they keep themselves employed, although I think last time a lot of the lawyers ended up on the scrap heap after the last election. This is a particular example of that. Instead of simplifying it, what we do is we try to make it more complicated.

It is interesting to note something that I think we will be hammering away at probably for the next four years. If they go their full five, I guess we have another four. With the amount of money that comes out of a program, somewhere the money has to go into it. Something is very clear and if the government has not heard it or understood it, it should. When we increase taxes, whatever it may be, for whatever good intentions and good reasons there may be, if we increase taxes to pay for some of the programs—and we had a great debate on this very question this morning about whether it will be payroll tax or how they are going to pay for it. I think it was interesting to note—by the vote of the government I think we know very clearly, and if I was a betting man, I think I would take out a bet and know exactly where the funding will come from. None the less, what it very clearly shows is that if you have higher taxes it means fewer jobs. Here we are talking about a program to protect workers, and what we are doing is taking another step and putting another onus on some of the businesses, particularly the small businesses.

I think the chamber of commerce said it when it said that some of the funding principles penalize the healthy and responsible employers, and it may have some concerns about that. What we have attempted to do is be a little bit practical with some of our solutions. We are now looking at a deficit which is probably \$10 billion or \$12 billion. Whatever we can cut it back to now is going to be the big question over the next few weeks.

People say the fund will be \$175 million—that is what it will cost—just like the Treasurer of this province stood in the Legislature and said he would keep the deficit to \$9.7 billion. We all see how those projections were wrong. So when they say \$175 million, what will it be? We will probably hit the bicentennial mark of over \$200 million even before the first eight months are hit. They talk about \$175 million over 18 months. The Treasurer was so far off.

It was interesting that during the hearings on the budget his parliamentary assistant went around and kept saying: "Boy, our numbers are right on. The federal government never hits them, but our numbers are right on. Aren't we terrific?" Less than a week later we have a Treasurer of this province who has to make cuts, probably to the total of about \$2 billion if the truth be known.

Then we wonder why people are a little cynical about politicians. They go around and champion things and not more than a week later they have to backtrack. So when we have these figures, \$175 million that it is going to cost, assuming the amount of workers who are there, the business people look at that and say, "The \$175 million is another guess."

If we, as we were going through school, were as wrong as the government is in its projections, we would never have passed any grades. They are continually wrong and it is to the point now where people do not even bother looking at the figures. They know they are going to be wrong; they know they are going to be off. Depending on what happens with this current recession with the number of workers, putting some of the projections in place, I guarantee they are going to be off as well.

As we sit here, we are looking at doing something to try to be practical in making some of the changes. At the very time when you look at page after page—some members may have seen some of the reasons that businesses were leaving over the last little while. There was a report in the *Toronto Star* that talked about the companies going for business and why they had left. The overall cost of doing business is such that they are saying, "Thanks very much."

The ironic part of it is and the sad part of it is that these businesses are struggling so hard to survive. When I talk to some of them and I say, "Why don't you come out to some of these committee hearings?"—and there were numerous ones, as we all know, over the summer, whether they were the budget hearings or whether they were these hearings—most of the business people say: "We don't have enough time to do the things we need to do now in the amount of hours. We're working six hours, seven hours a day, more than 15 hours, and you want us to come out and talk to a government that has continually not listened to us."

We have the government in question period championing and saying: "Oh, yes, we're going to listen. We're going to listen to the opposition parties." I sit back and remember what happened in this very House when the Premier said that he wanted input on the conflict of interest. Less than 45 minutes later, they invoked closure in that committee because they did not want all the publicity about all the scandals that were happening in the government at the time.

Unfortunately the people of this province and the small business owners know very clearly where this government stands, and it is a sad state of affairs that the situation is such that groups such as the chamber that have been around since 1911 and employing so many people do fine documents that outline it to the government and nothing gets implemented. They do not listen.

We are already now at the point where we are the highest-taxed jurisdiction in not only Canada but all of North America, and yet we are in a situation now where instead of trying to look at the root causes, this government is trying to champion the causes by trying to look at giving some of the money instead of trying to get to the root of the problem.

I guess as I sit here and look at some of the amendments, the problem with this entire piece of legislation is that there is no long-term planning and in fact, there had not been under the previous government either.

It was interesting that we looked at some of the changes that are here and some of the ones we have proposed, and I hope all members would attempt to keep in mind the very clear message that is being sent by some of the folks who are in the small businesses out there, the people from the Canadian Federation of Independent Business, the people who in most cases have less than 10 employees, who are struggling to keep up.

If we can do things like try to make the programs parallel each other and simplify them and end the overlap and entanglement, I think we would be doing well. If we did nothing else but that, it would help the small businesses and the people who are out there, the entrepreneurs who in spite of these tough economic times, in spite of the fact of what the government is doing to them, are trying to survive out there. So I think the amendment that has been brought forward is—

The First Deputy Chair: May I remind the member that we have granted him considerable latitude in his remarks, and I would appreciate it if the member could focus on the amendment.

1650

Mr Carr: As a matter of fact, I was just about to close. You actually kept me on longer. I thought I was focused. Yes, I was wandering. I was just about to be brought back by the fine new Chair whom we have up there.

In closing, the fact of the matter is that what we are looking at here is to limit the definition. I look at the bill and I see the original definition that is on page 2 of the bill. In all the referring back to sections 39c, 39f and 39k, as they are laid out in this particular piece of legislation, the fact of the matter is it makes it more complicated for everyone involved. What we need to do is simplify it.

I hope we would have the support of all members. I think we have heard from the Liberal Party members saying they would not, but I hope the government will take a look at it.

Mr Arnott: I am very pleased to stand in my place today and support the motion that was sponsored by my colleague the member for Waterloo North to Bill 70. I will

read the amendment very briefly. "When an employee is compensated by the program, the wages for which an employee may receive compensation are regular wages and vacation pay." Of course the intent of this amendment is to limit the money paid out from the fund to the dollars which are actually earned, wages and vacation pay, and limit the money paid out, not to include dollars that are not actually earned but only provided by way of legislation, meaning severance and termination pay.

I believe this is a very important amendment which would greatly enhance the ability of small businesses in Ontario to compete with their counterparts in other jurisdictions.

I was recently appointed our party's small business advocate and I take a great deal of enthusiasm to that role. I am looking forward to working with my seatmate, the new critic for Industry, Trade and Technology, as we attempt to bring forward positive suggestions and so forth to the government, and hopefully they will pick up on some of them.

I would like to beg the Chair's indulgence for a minute or so and add a personal observation to this. My grandfather's name was Leonard Arnott and in my opinion he was a great man. He started a business in 1929 at the height of the recession when he was 21 years old. As soon as he became of age, he signed a contract to build a bridge and I think it took a great deal of courage and a great deal of vision to initiate a small business at a time when we were coming into the Great Depression.

He kept at this business for many years, and when I was growing up, I can recall being around with him. He had more energy at 70 than I have at 28. He worked so hard, he worked seven days a week and he put his life into this business. He passed away about five or six years ago. I worked for this company. It is called Arnott Construction Ltd out of Collingwood, and I paid my way through university with the wages I earned while working summers.

Recently, the president of Arnott Construction, who happens to be my uncle, wrote to the Premier on July 9, and I would like to read a couple of paragraphs from the letter. In the interest of time, I will not read the whole thing, but it reads:

"Dear Premier:

"We are a 62-year-old, family-owned construction company involved in heavy engineering construction throughout Ontario for both the private and public sectors. In our peak construction season, we should employ around 175 people in the office, shop and field. Presently we have 78 employees, with many on UIC, work-sharing or reduced hours. I said we were a 62-year-old company, but we may not make it to 63 under the type of legislation that you are enacting or entertaining."

The letter continues and concludes:

"The economy of Ontario is in difficulty and is of concern to us all. Your budget and the changes in the labour law, if implemented, would impose further financial and administrative stress on the economy as it faces increased competition through a more integrated global economy.... The implementation of any of these proposals in the present economic climate would result in increased scepticism in Ontario at a time we are struggling to recover from a serious recession. The welfare of both employers and

employees will not be enhanced in the short or long term by their adoption."

It is signed by Wayne Arnott; as I said, my uncle.

I would like to say to the Minister of Labour and his parliamentary assistant over there that if they use their majority to defeat this amendment, I guarantee them that companies such as this will not be in business next year, and in fact they will be destroying jobs in Ontario.

Hon Mr Mackenzie: Just a few comments briefly: First off, to the member for Wellington, I have difficulty understanding how this money that has been earned by employees and is finally able to be collected would destroy any small firm at this point in time in Ontario.

To the member for Waterloo North, I simply want to state that I understand the position she has taken. I understand her amendment, but if she thinks that reducing from \$4,200—if 10% is what applies to wages or vacation pay—to some \$400 is a just return to the workers who have earned severance pay and other termination pay that they are entitled to, it is a pretty weak piece of legislation and does not do exactly what we intended and set out to do with this piece of legislation: to give as much protection to workers as we could for money they had actually earned and was theirs. That is why we simply do not buy the amendment.

On the federal bill, I can tell her we are negotiating with them, and there is a pretty general agreement if we see the federal legislation. Forgive me, I have only been in this House 16 years, but this is an issue I raised at least six or seven or eight times over a period of better than 10 years and got the answer, "It should be resolved through federal changes."

On a couple of occasions, previous ministers of labour actually had commitments that it was going to happen, and to this day we do not have it and we are not sure yet that we will see the finalization of the current bill. If we do, up to their maximum of \$2,000—the agreement is not signed, once again, so I will not make that absolute either, but the intent of the conversations we have had seems to be that this money, to the extent that we are entitled to it, would be paid into our fund if this happens. We think there will not be any difficulty, because we do not want a duplication as well in resolving that particular problem.

I think those are the key points. I was pleased to hear that at least on this point, we had the support of my colleague the member for Mississauga North.

Mr Offer: If I might make a comment just based on the minister's last remark, a number of people came before the committee and spoke about the federal plan, which has not yet been passed, as well as ours, which obviously has not been passed but seemed to be a little farther down the line. They were questioning how the minister views the discussion and the amalgamation of these two plans.

The question, I think, boiled down to whether it is the opinion of the minister that if there are two plans in place, the amount of money that an employee could access would be either \$5,000 plus \$2,000, or \$5,000, of which \$2,000 would come from the federal coffers. I would like to use this opportunity, if I might, to ask the Minister of Labour,

in the event that there are two plans that have been passed, what will be the position of the government?

Hon Mr Mackenzie: The federal plan does not cover all the same areas that we cover, but the maximum entitlement would be \$5,000, I can tell the member that, not \$7,000, if that is the question he is putting.

1700

The First Deputy Chair: Is it the pleasure of the committee that the motion carry?

Mr Offer: I understand there is an agreement to stack these votes till the end. Maybe we could get some direction from the Chair as to the procedure. Does it require that five members stand?

The First Deputy Chair: The procedure that was agreed, I think you have already heard, is that we put the amendment to a vote and if five members stand then the vote is deferred.

All those in favour of the amendment please say "aye." All those opposed? In my opinion, the amendment is lost.

Vote stacked.

The First Deputy Chair: Mr Offer moves that clause 40b(2)(d) of the act, as set out in section 5 of the bill as reprinted, be struck out.

Mr Offer: This is a very important area of the legislation because it speaks to our roles and responsibilities as legislators. The amendment I am proposing would have the effect of moving any change in the amount of payment from regulation, which it now is in the bill, to legislation.

I believe all members of this assembly recognize what that means. By regulation, changes could be made in cabinet at the stroke of a pen whereby the amount which is indicated now as being \$5,000 could be increased to \$6,000, to \$10,000, to \$15,000, to anything the cabinet so desires, without the opportunity of debate in this Legislature, without the opportunity of members of this Legislature to vote.

I believe this is an extremely important amendment in that it speaks to our role as members. Clearly there is a concern out there that after the initial 18-month period the funding for this program may be by an employer's tax. Clearly one cannot dispute that concern. Clearly it is being read as a negative message to business. Clearly we know that any change in the dollar amount in an upwards fashion or any change in the breadth of protection will have an impact on the cost of doing business in this province, because as we all know in the event this bill passes—I can count the members in the House—insurance will have to be obtained for all businesses in this province, insurance to cover liability. When the scope of liability is increased, that must be measured in the premium paid, and that premium paid is going to be by the small business person.

We are saying we recognize the responsibility and the authority of government. We are asking government to recognize the responsibility on us, on this side of the Legislature, to be able to speak to changes in the liability of the fund. We do not think it is an amendment which should cause great concern to the government. The minister himself, in the drafting of this legislation, the minister and his

cabinet in approving this legislation, the minister, cabinet and caucus in, I believe, supporting this legislation, saw no problem in inserting the figure \$5,000 in the legislation. They did not see any problem in doing that.

What I am saying on this side and what this amendment is saying is that if they saw no problem in inserting the \$5,000 figure in the legislation in the first instance, then surely they should not be concerned about any change in that particular dollar figure going through the legislation again. Surely they cannot have a concern about legislators talking about any change in the monetary amount of coverage of this bill. Certainly they must accept our role and responsibility and the opportunity we have to ensure, and in fact guarantee to the many people outside this Legislature who live their lives, who run their businesses, who might just want to share their opinions with us.

By not accepting this amendment the government is shutting the door on true committee consultation. It is shutting the door on anyone who wants to talk about any future or potential change to this legislation. It is shutting the door on the small business person and the large business person. It is shutting the door on the employees to come before a legislative committee to talk about any change and what it means to them.

This amendment speaks not only to the bill but in a very fundamental way to our roles and responsibilities. The minister has responded quite forthrightly to a question I initially posed, and that was, what was the average payout they could expect? The minister was very clear and said that on average it would be approximately \$4,200. In a letter received by myself and probably all other committee members from the minister, the answer to the question as to how many people will be eligible on estimate to this fund was provided, and that was 55,000 people.

1710

It says here: "You have asked about the estimate takeup for the program. When the program was being designed, ministry estimates indicated that around 55,000 workers would be helped during its first 18 months of operation."

Let's just take those two figures, 55,000 people estimated with an estimated takeup of \$4,200. What happens when we multiply those figures together? Members should help me out on this. When we multiply these figures out, it may be an estimated monetary takeup rate of over \$200 million, \$231 million to be exact.

We have to ask questions as to where they are going to get the extra dollars. This fund has been budgeted for \$175 million. In committee it was clear that the \$175 million, as budgeted for the first 18 months, included not only the takeup rate, but also the staff required to process these applications. We asked what the staffing would be. If memory serves me correctly, the response was 107 new people, so 107 new people must be employed as a result of this bill. I do not know what that result in dollars and cents is, but on a quick calculation over 18 months I think \$5 million is not out of the question. We have to keep that in mind and recognize that it does not include desks, tables, chairs, telephones and all the operations around. Now we

have new staff of approximately \$5 million or \$6 million. Those are my figures. The 107 is by ministry staff.

We know from the minister's own statements that there are going to be about 55,000 people taking up this program. We know, again by ministry statistics, that it is going to be about \$4,200 and we also know that the chance of recovery of these dollars from directors is minimal indeed, and we will get into the enforcement aspect later on.

In the letter the minister provided, we have also known there is going to be a communications budget of \$500,000. I add these figures together and I say we are away over budget; we are into \$250,000,000. So the question is, if that is the case, what will be the problem in any change of liability being moved into this Legislature? What is the concern, the problem, the fear, the consternation of the government in saying: "We don't want the Legislature to talk about increasing the dollar amounts. We don't want the Legislature to discuss broadening out the protection. We want to do that at the cabinet table on Wednesday mornings behind closed doors."

That is not good enough, because there are many people, employees and business owners out there, who say: "If you change liability, if you propose change, we want to have a say in this. We want to share with you what the implications are for change. We want to tell you what it means to us in terms of jobs, investing in this province and expanding in this province," and we in this assembly should not be afraid of having changes of this nature taken out to committee.

I may oppose it but I do not dispute their right to do that, but I believe that if they do it, they as a government have an obligation, if not to the opposition parties then to the people of this province, to the people who have lost jobs, to the businesses that are trying to create jobs and to the existing establishments that are trying to expand to create wealth, to say, "We'll listen to you." The way in which we can do that is by making certain that any change is done in this chamber through legislation and not through regulation.

To many people this might not sound like a very important aspect—regulation, legislation; legislation, regulation—but to us here and to the many people who do care about this particular aspect it is important. It is important to send out a message that they will be able to speak to government and to the opposition parties. They will be able to share what is important to them.

By voting against this amendment, the government closes the door to those people who want to tell them what it means to the future growth of this province and of any change to this legislation. They close the door to people who think they may want the changes altered. They close the door to the business entrepreneurs, those people who are investing capital either in terms of money or intelligence and trying to make a go of it in this province.

They have an obligation and an opportunity right here and now to say: "Our speeches about a new climate of co-ordination and consultation are more than words on a piece of paper. They are going to be backed up by substance."

By voting in favour of this amendment, they put substance behind those words. By saying no to this amendment, their speeches ring hollow. They will never be more than words on a piece of paper which the people out there will know mean absolutely nothing because today and right here they had the opportunity to say yes to this amendment.

Mrs Witmer: I would like to speak to the motion and indicate that I share some of the concerns that have been expressed by the member for Mississauga North. I would like to preface my comments by saying I am very surprised to see that additional payments are indeed going to be prescribed by regulation as opposed to amendments to the act, which would allow for a full and complete public debate.

I am surprised because I heard the Premier's words on Monday. I have heard the Premier's words since he took office. He has certainly talked repeatedly about the need for consultation and co-operation, the need for public input, and I am surprised that these additional payments are going to be prescribed by regulation and that the cabinet is being given considerable power, a totally unchecked power. They do not have to answer to this House in any way. I believe it is extremely important that there be consultation with the public and an opportunity for public scrutiny into all program spending increases, and that is certainly what is being suggested here: additional payments above and beyond what is included in Bill 70 at the present time.

I am concerned that additional components to the compensation package can be made by regulation. One of the reasons we had the public hearings this summer was to hear from the different groups throughout the province. All the employer groups mentioned to us that they were very opposed to and were very concerned about the ability of the government to increase not only the program's ceiling, but to add additional components to the compensation package by regulation.

1720

I would like to ask the members opposite, why is it not fair to consult with the public? Why do they not want to be accountable to the taxpayers? Why do they not want to subject any increases to public scrutiny? I feel the elected members of this House need to be fiscally responsible and accountable to the taxpayers. If we are going to start making changes and additional payments by regulation, there will not be any opportunity to engage in any dialogue with the taxpayers and we will not be demonstrating fiscal responsibility.

I am also very concerned because the 18-month period will soon elapse, as will happen in April 1992.

We also heard in committee hearings from many of the union representatives who felt the ceiling was not high enough, so I can see that additional payments will be made in the future and I can see the cost of this fund increasing rapidly. This is simply going to increase the cost of doing business in this province and it is going to have a very negative impact on the business climate.

I would add, and I think sometimes the government forgets, that it is business that creates the jobs. If it creates further hardships for business, there will not be jobs for employees. We are hearing repeatedly about companies moving south. We are hearing about companies not expanding. We are hearing about companies that are downsizing. Just this week I heard about one company that could have increased the number of employees who are working for it, but in this uncertain economic climate it simply cannot afford to expand, and it will be going south of the border when further expansion does take place.

I say to this government that it should be very careful about the legislation, and I would ask it to very carefully consider supporting this amendment; that is, that any changes be made by amendment to the act, by the members of this House, as opposed to by regulation.

Mr Carr: I want to add my comments to this particular amendment; essentially, withdrawal of "such additional amounts as may be prescribed by regulation." I guess I am one of those people who believe that when you put something in that can so fundamentally change the bill, it should be done after public input and public debate. It was interesting to see that some of the members opposite felt that way.

I know the member for Etobicoke-Rexdale and the member for Welland-Thorold, who just passed by a few moments ago, day in and day out during the Police Services Act championed the cause that some of the changes should not be put into the regulations. As a matter of fact—

Mr Kormos: I still champion that.

Mr Carr: The member says he still champions that, so hopefully he will be here for the vote. In fact, during the hearings on Sunday shopping, he did also make that known and did champion it. He also, to his credit, did speak up against the government and had the courage to do so. Of course he has the whip marks to prove it, but he did definitely make some comments. I think when you look at it, that is what people are looking for: somebody who is consistent and says something regardless of how much hot water it gets him in with the Premier. Although he said that, he is in so much hot water now that I guess it really did not matter too much anyway.

The First Deputy Chair: You will help the debate if you keep on topic. We were very generous already in our interpretation. I would remind the member for Oakville South that he will help the process of the debate if he can focus his comments.

Mr Carr: Thank you very much, Mr Chairman. Getting back to the regulations that were championed by so many people in this House—I think we may know one reason the Chair is a wee bit sensitive, because what I am getting at with the Police Services Act, through the regulations, is that is how the oath to the Queen got eliminated. I think the Chair might have wished that his colleagues the members for Welland-Thorold and Etobicoke-Rexdale had been a little bit stronger in some of their debates, so it did not come out.

Mr Kormos: How could I have been stronger, Gary? You weren't there. How do you know?

Mr Carr: That is true. It is difficult to get stronger, because of course he received all the public outcry about that. It shows very clearly what happens when there are good intentions. We say: "Oh, the good intentions are there. We'll just add additional payments as may be prescribed by regulation." Then poor people are left to carry the bag, like the present Chair when he was Solicitor General. They changed the oath to the Queen and then the public outcry comes out.

I think that carves very clearly in the minds of the members opposite what happens when we leave the regulations and the changes to some of the people who are not elected. Essentially what happens is there are no checks and balances. The system we have now is such that there can be public debate regardless of whether you agree on it, disagree on it, whether it is good debate, bad debate, and we have seen all that. We have seen good proposals, good debates, good amendments made. But when you put it in regulations, things get signed in the dead of night when the regulations are approved. Oops, I should not use that with the present Chair.

We presently have a situation where payments can be changed as prescribed by the regulations, and I say that is not the proper way to do it. There should be public dialogue. I used the example of the oath to the Queen that was so sensitive. Had there been public dialogue, had people had a chance to have their fair say, just like we could have over the payments here, whatever they may be changed to—whether they go up, whether they go down, whether the amounts go sideways—the public has to realize that there is public input.

I think that is why there is a little bit of cynicism towards the whole process, because what happens when you do it in the regulations, very clearly, is things get changed that the public does not want, because some bureaucrat somewhere says: "Let's slide this thing through. The cabinet isn't looking. They're too busy with everything else on the agenda. Let's get this thing pushed through."

I say that the people who should be making fundamental changes, which I think this change in the amount is, should be the elected people. Then if the public does not like it, it can toss them out next time and say, "You shouldn't have changed that amount; it should have remained the same," or, "It should have gone higher," or, "It should have gone lower."

When it is done through regulations, the characters who do it in the night and make some of these changes cannot be thrown out based on their actions. The elected people in this House can. I would encourage the members opposite to reflect on some of the things the member for Welland-Thorold says, who will probably get up and speak about these regulations as passionately as he does. I will not be able to say it nearly as well as the member opposite, but the fundamental principle of changing things in regulations is undemocratic. I would encourage other members to speak up like the member for Welland-Thorold, who has done so in the past, because that is what the people want.

Just as a wee bit of an aside, if the Chair will allow me, I do not think it is a little bit of a coincidence that before the last election, when they held the poll, the two members, if I remember correctly, my friend the member for Scarborough North and also the member for Welland-Thorold, were the two members who had the highest percentage that they were going to win by. It is because of the fact that, regardless of what side they are on, they speak out on bad amendments, regulations like this. Members like the member for Welland-Thorold say it when they are in opposition and they say it when they are in government, even sometimes to their detriment.

So I say to the people out there, regulations and the changes that we are talking about here under clause 40b(2)(d) should not be, and the amendment to take that out is a good one. I say, get the pen out and take it out.

1730

Mr Mahoney: I must admit I have talked to our critic, my colleague the member for Mississauga North, about what went on in committee, because I was not at the committee, and I am quite astounded to find out that the government members defeated this amendment in committee, I am informed. I find that disconcerting, particularly coming from this government, because the current Labour minister and all of his colleagues, when they sat over here, were somewhat effusive about putting their viewpoints forward about openness and honesty in government. How can something be open when it is clearly a blank cheque?

My first concern, if something like this is not deleted, is that I would have thought this particular clause, "such additional payments as may be prescribed by regulation," would have been written by the bureaucrats somewhere and perhaps put in. I could accept that the minister or his personal staff might have missed it, but to find out that it was indeed supported by the committee would suggest that there was a whip on the vote and the whip of the committee informed the members that they were to vote against the amendment put forward by my colleague the member for Mississauga North.

Is that not true? Everyone thought for themselves? There is something new happening over there? I would be surprised to hear that. I am sure they were told that the government's decision was to vote against this. Clearly, that would seem to fly in the face of the Minister of Labour's comments when he was in opposition, which would have been for open, accessible government, and suggests that decisions regarding the amount of the payments to be agreed upon should be decided by regulation.

I think it is important that the public understand the difference. If this is deleted and there is a desire on the part of the government of the day, of whatever party, to amend the legislation to allow for the amount of the claim moneys available on a per-case basis to be increased, then they would simply come back into this Legislature and have to introduce an amendment and have to introduce perhaps new, changed legislation, revised legislation, which would allow for public comment.

Even if it did not go out to committee, if it only went in to committee of the whole, it would at the very least allow

those of us who are elected to represent our constituents to have input and comment and it would allow the process and the proper opportunity for us to confer with those people affected, to talk to the taxpayers about how their taxpayers' dollars are being used and to have a proper democratic dialogue.

I will be delighted to hear the Minister of Labour rise in his place and announce to this Legislature and to the province that he is prepared to agree with this amendment and thinks that indeed there should be full public disclosure and public debate on amending the amount. I find it frankly incredible that the minister would not be prepared to accept that kind of amendment, knowing his track record and his background and his party's desire for openness in government.

Nobody should be given a blank cheque. No ministry should be given a blank cheque, and when you take a look at the serious problems we are facing in this province, and we have already heard that the \$9.7-billion catastrophic deficit—unheard of in the history of this province or even this country for a provincial government to run such a deficit—how in goodness—

Hon Mr Allen: It depends how you measure it.

Mr Mahoney: It does not depend how you measure it. That is the problem with NDP logic and thinking. The people at home know how to measure \$9.7 billion. It has got so many zeroes I cannot count that high. They understand a deficit is a deficit is a deficit. It does not matter how you measure it, I say to the Minister of Colleges and Universities. He of all people, with his educational background, should be able to measure a \$9.7-billion deficit.

Hon Mr Allen: Go back and do that. Do some arithmetic.

Mr Mahoney: Maybe the minister would like the floor, Mr Chairman. Would he like the floor? I am quite prepared to sit down if he would like the floor.

The First Deputy Chair: Order, please. Will the member for Mississauga West please sit down.

Mr Mahoney: I was trying not to be provocative.

The First Deputy Chair: Would the member please take his chair. The member should not be surprised that he would cause some aggravation. The tenor of his comments was perhaps of an order that would call for some response. The member would do well to address the issue before the committee and to get on with the discussion that is relevant to this debate. Please continue.

Mr Mahoney: Mr Chairman, I am quite surprised at your comments, and I would hope that you are not showing a bias here, because frankly my comments were clearly directed to this amendment.

The First Deputy Chair: Would the member please take his chair. The member has the floor. You may continue to focus on the debate and your comments are out of order.

Mr Mahoney: As I was saying, Mr Chair, I was focusing and will continue to focus on this amendment. I was being, I think, somewhat rudely interrupted by the Minister of Colleges and Universities.

The point of the matter is that if you are talking about this amendment, if this is deleted, then the government would not indeed be given a blank cheque. With due respect, that is my point and that is my concern and I think it is clearly focused.

How can we stand here and entrust these people, who run up \$9.7-billion deficits that we hear could go substantially higher, with a blank cheque where they can simply in a back room write up an amendment, call up the bureaucrats and say: "Folks, we want to double the amount of money that's going to be allowed here, so just write up some regulation. We'll post it in some book somewhere that we stick in a drawer. Nobody has to talk to the public. Nobody has to bring it on the floor of the Legislature?"

Are you suggesting, Mr Chairman—I am sure you are not—that those comments are off topic? They are not off topic, they are bang on. Those are the concerns that the taxpayers expect the members of the opposition to hold this government accountable on.

Instead the Minister of Colleges and Universities tries to get excited about how you measure a \$9.7-billion deficit. How high is high? How high is the water, mama? Let me tell him how high it is. We are close to going under, and these people expect us, in a bill as important as this, dealing with—

Interjection.

Mr Mahoney: He is being told to be quiet so he does not distract me.

—dealing with a bill that I agree is extremely important for the workers of this province and there is some real merit to this bill, if the Minister of Labour would come to his senses and realize that he has no right to demand of this Legislature or this province or the taxpayers that we should give him or his band of spending spendthrifts any kind of a blank cheque.

It is absolutely absurd. In fact, I really hope that the minister will accept my colleague's amendment and recognize that the responsible way to bring in an amendment to increase the amount of money that would be allotted on a per-claim basis—which may be necessary. I have no doubt that there should be a requirement down the road. Times change. It may be necessary for us to increase this amount, but they should be accountable.

When we form the next government and I have the opportunity to be the Premier, I should be accountable? Without a doubt. We should all be accountable as elected officials in this House, and under no circumstances will I go along, nor will my colleagues go along, with a blank cheque. I would hope that the Minister of Labour would recognize that and accept this very sensible and very progressive amendment.

Mr Offer: I think we have spoken about this amendment and some crucial elements to the amendment and what it very much means in terms of the ongoing examination of the bill. At the outset I posed a series of numerical types of assertions: first, that the average claim would be approximately \$4,200; second, that there is a takeup of approximately 55,000; third, that there are 107 people to

be employed to process the claims; fourth, that the communications budget is in the area of \$500,000.

1740

As an addendum to the employment of 107, I think we can agree that is something in the area of \$5 million or \$6 million. When one does a little bit of calculation, it looks like we are close to a quarter of a billion dollars. I am wondering if the minister or his staff can respond to these particular numerical concerns I am expressing.

Hon Mr Mackenzie: First, just two or three comments to the member for Mississauga North: The retroactive applications through the transitional period clearly have a \$4,000 limit on them. As well as that, closed files in the employment standards backlog will actually cost less than forecast. The estimated value of these files is \$70 million to \$80 million. The initial rush has some of the major claims in it. We think the figures that have been used are certainly defensible and accurate in the figuring we have done.

I want to deal also with the comments made about the influence this could have, for example, on the ceiling. I think the member knows, if he stops and thinks for a minute, that we are dealing in this amendment he has moved with the definition of "wages" alone. I think the reason for it is the government's intention to include unpaid benefit contributions in the definition of "wages" for the purpose of compensating workers in the construction industry. Construction workers are excluded from severance and termination requirements under the Employment Standards Act at present.

That is all we have looked at here, but there is also an additional group that has talked to us and it might very well be something we want to take a look at. I am talking about the garment workers who have raised the issue of whether or not the piecework pay they get could be included in the definition of "wages." It is something you might have to take a look at.

With respect to the arguments made by both of the parties in opposition about the regulatory adjustments being unfair or opening the door to thousands of blank cheques, as somebody said, I suggest to the members of both parties that they take a look at the number of pieces of legislation they have passed. It would be interesting, even in the period the Liberals were in power, to take a look at the legislation they passed that had the ability, through regulation, to make changes. Drivers' licences are one example. We could go down the list with many more. I am simply saying this is not something new. This is in fact practice in many of the pieces of legislation we have in the province today.

Mr Offer: The minister responded, talking about an amendment to clause 40b(2)(b)—"amounts that are deemed to be wages." In fact, that is not my amendment. My amendment is to clause 40b(2)(d), which has nothing to do with the question as to what is or is not and what may or may not be defined as "wages." It has to do with "such additional payments as may be prescribed by regulation."

We are talking about controlling, through this Legislature, any change to the payments. I hope the government

recognizes this has a major impact. It is not enough for the minister to say, "I can change a licence by regulation." We are talking about the creation of business in this province, about the creation of jobs in this province, about the implications to the cost of doing business in this province and about whether a government is prepared to say to the people of this province, "We are ready to listen to any change that we may make under this legislation."

By saying no to this amendment, the government is shutting this door. They know, I know and everyone here knows those changes will be made without any consultation whatsoever. The people of this province will know of changes only after they read them in a news release or in a media report. It just is not good enough talking about implications of changes to that piece of legislation without knowing what it means to the people out there.

The Premier spoke today in this Legislature on the federal government's constitutional proposal. On page 3 of that statement, he said, "The economy is the real constitution of this country." Let us put some substance behind those words. When so many people are hurting, do we in this Legislature not think we can say to them, "We're ready to listen to you"? When so many people have lost jobs, when so many people feel the distance they have between them and this place is so great, when they really feel they cannot input into what is going on here, do members not think that by not agreeing to an amendment like this, we increase that distance, we do not put substance behind the words of the Premier today, we do not put substance behind the words of so many people who have spoken about the importance of small business in this province?

By allowing changes to be made without knowing the implications—and the government will not. They are sitting there now thinking, "Oh, but we will." They will not know the implications. They cannot know the implications. I say that not as a criticism; I say that as a matter of reality. Nobody can unless you talk to the people. The government does not know what it is going to mean to that small business with three employees that now there is a wage protection plan increased to \$10,000. They do not know what it means to that person. They do not know what it means to the carrying on of the business. They cannot know unless they talk to the person and, more important, listen to the person.

By moving these to regulation and keeping them in regulation, the government does not have any opportunity of doing that. That is what committees in this Legislature are all about. That is why we travel. That is why we reach out and try to tell people, "Be a part of this place." Regulation says, "This place is closed."

This is an important area of the bill. This is the area that talks about the liability under the bill. This is an area that talks about the impact on small business carrying on in this province. The government cannot just shut the door on them. They just cannot shut the door on people who want to talk to them. They are not going to know the implications. They may as well recognize it now, because if that was the case, then there is no need for committees in this Legislature.

If they know what all of the responses will be to all of the legislation, then they do not need committees. But the government does not know; we do not know. That is why we have committees. That is why we have long hearings. That is why we travel to different parts of the province: The impacts are different. Regulation says no committee, no travel, no understanding of impact.

1750

In this province, we all know we are trying to send out a message that we can compete. We are trying to send out a message that we can do business in this province; that we can create jobs in this province; that business should be looking at this as a place to establish itself, to expand, to create wealth. We all know the ripple effect of that.

Why can we not say we are ready to listen? Why can we not say a regulation which has as its impact changing the monetary amount, the heart and soul of the legislation, is one that must go through this Legislature? What do government members say to their constituents? What do the members on the government side say to constituents who come to their offices and say, "Well, the government has made this change; I want to tell you what it means to me."

What do they do? With it being legislation, they can say: "Well, we're going to debate this. Thank you. I want to bring your point home. I want to bring your point home to committees." What do they say to their constituents who knock on their doors and say, "Listen, I can't compete any more; you've now just upped the amount to a degree that we can't compete?"

What do they then say to the minister? I will tell the government members something: It is already announced, it is already part of the legislation. Not only have we closed the doors here, not only have we closed the doors in the committee rooms, but the government members have closed their constituency office doors on this issue. They all know and have heard, as I have heard, what a recession means to our ridings, what it means in terms of people's confidence, what it means in terms of people being able to continue to have that broad sense of options for themselves and their children. They are shutting the door of their constituency office on this issue.

I must say it will come back to haunt them, because when those changes are made, the government members will have nothing to say to their constituents. We will have something to say to their constituents. We will say that today, at this time in this place, they had the opportunity to open the doors. The choice is theirs.

I can count the number of members in this Legislature, but this is a fundamental basis for where we are and what we are and why we are here. We are here to listen to concerns. We are here to open up constituency office doors, Queen's Park offices, legislative debates, committee rooms. We are here to listen and to respond. In the 1990s, with the competition out there, it is not a time to shut doors, to close our ears to those types of implications. Now is the time to open them. Now is the time to send out a message to business that we are ready to respond, that we have a loud response.

I know the government has its right to change and to introduce legislation of whatever kind, but we also have rights and responsibilities, and one is to be receptive and responsive to implications of legislation, to what it means.

My goodness gracious, if we cannot feel secure, if the government is not feeling secure that the heart and soul of its legislation is not above legislative scrutiny, then maybe there is something drastically wrong with this legislation. Maybe there is something there that I have not yet seen.

Why would the government members be so afraid of being able to do the job they have been elected to do, to bring concerns of constituents, to bring implications of legislation to this place? Why? What is it that prompts them to vote against what is a balanced, fair amendment? I do not speak critically of the legislation in this amendment. I do speak about making this legislation better, sensitive, responsive not only to the issues today but to those tomorrow and the next day. That is what we are talking about.

We are talking about us. We are talking about our roles. We are talking about our responsibilities. If we cannot vote in favour of an amendment of this nature, then the government members are creating a distance between themselves and their constituents, for which cynicism is its end product—cynicism, distrust, mistrust about what we do. Let's open the doors. Let's be responsive. Let's take the opportunity we have now. Let's vote in favour of this amendment.

The First Deputy Chair: Mr Offer has moved that clause 40b(2)(d) of the act as set out in section 5 of the bill, as reprinted, be struck out. All those in favour will please say "aye."

All those opposed will please say "nay."

In my opinion the nays have it.

Vote deferred.

Le vote est différé.

On motion by Mr Mackenzie, the committee of the whole reported progress.

À la suite d'une motion présentée par M. Mackenzie, l'étude du projet de loi en comité plénier de la Chambre est ajournée.

BUSINESS OF THE HOUSE

Hon Mr Cooke: Pursuant to standing order 53, I would like to indicate the business of the House for the coming week.

On Monday, September 30, there will be an opposition day.

On Tuesday, October 1, we will be continuing with committee of the whole consideration of Bill 70, the Employment Standards Amendment Act (Employee Wage Protection Program), followed by the adjourned debate on second reading of Bill 118, the Power Corporation Amendment Act.

On Wednesday, October 2, we will continue with Bill 118.

On Thursday, October 3, in the morning we will deal with private members' business, ballot items 31, standing in the name of Ms Harrington, and 32, standing in the name of Mr Kwinter.

In the afternoon, we will continue with the adjourned debate on second reading of Bill 118, followed by Bills 83, 84, 85, 86 and 130.

The House adjourned at 1800.

**LEGISLATIVE ASSEMBLY OF ONTARIO
ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO**

Lieutenant Governor/Lieutenant-gouverneur: Hon/L'hon Lincoln M. Alexander, PC, QC/CP, CR

Speaker/Président: Hon/L'hon David Warner

Clerk/Greffier: Claude L. DesRosiers

Clerk Assistant and Clerk of Committees/Greffier adjoint et Greffier des comités: Smirle Forsyth

Clerk Assistant and Clerk of Journals/Greffier adjoint et Greffier des journaux: Alex D. McFedries

Sergeant at Arms/Sergent d'armes: Thomas Stelling

Abel, Donald (Wentworth North/-Nord PC) government whip/Whip du gouvernement

Akande, Hon/L'hon Zanana (St Andrew-St Patrick ND)
Minister of Community and Social Services/
Ministre des Services sociaux et communautaires

Allen, Hon/L'hon Richard (Hamilton West/-Ouest ND)
Minister of Colleges and Universities, Minister of Skills
Development/Ministre des Collèges et Universités,
ministre de la Formation professionnelle

Arnott, Ted (Wellington PC)

Beer, Charles (York North/-Nord L)

Bisson, Gilles (Cochrane South/-Sud ND) PA to Minister of
Northern Development and Mines, PA to minister
responsible for francophone affairs, Vice-Chair, select
committee on Ontario in Confederation/
Ap du ministre du Développement du Nord et des Mines,
ap du ministre délégué aux Affaires francophones,
vice-président du Comité spécial sur le rôle de l'Ontario
au sein de la Confédération

Boyd, Hon/L'hon Marion (London Centre/-Centre ND)
Minister of Education, minister responsible for women's
issues/Ministre de l'Éducation, ministre déléguée à la
Condition féminine

Bradley, James J. (St Catharines L) opposition House leader/
Chef parlementaire de l'opposition

Brown, Michael A. (Algoma-Manitoulin L) Vice-Chair, standing
committee on general government/ Vice-Président du
Comité permanent des affaires gouvernementales

Buchanan, Hon/L'hon Elmer (Hastings-Peterborough ND)
Minister of Agriculture and Food/Ministre de
l'Agriculture et de l'Alimentation

Callahan, Robert V. (Brampton South/-Sud L) Chair, standing
committee on public accounts/Président du Comité
permanent des comptes publics

Caplan, Elinor (Oriole L) Chair, standing committee on social
development/Présidente du Comité permanent des affaires
sociales

Carr, Gary (Oakville South/-Sud PC)

Carter, Jenny (Peterborough ND) PA to Minister of
Citizenship, responsible for human rights, disability
issues, seniors' issues and race relations/Ap de la ministre
des Affaires civiques, déléguée aux Droits de la personne,
aux Affaires des personnes handicapées, aux Affaires des
personnes âgées et aux Relations interraciales

Charlton, Hon/L'hon Brian (Hamilton Mountain ND)
Minister of Financial Institutions/Ministre des Institutions
financières

Chiarelli, Robert (Ottawa West/-Ouest L)

Christopherson, David (Hamilton Centre/-Centre ND)
PA to Treasurer of Ontario and Minister of Economics/
Ap du Trésorier de l'Ontario et du ministre de l'Économie

Churley, Hon/L'hon Marilyn (Riverdale ND) Minister of
Consumer and Commercial Relations/Ministre de la
Consommation et du Commerce

Cleary, John C. (Cornwall L)

Conway, Sean G. (Renfrew North/-Nord L)

Cooke, Hon/L'hon David (Windsor-Riverside ND) Minister
of Municipal Affairs, government House leader/
Ministre des Affaires municipales, chef parlementaire du
gouvernement

Cooper, Mike (Kitchener-Wilmot ND) deputy government whip/
Whip adjoint du gouvernement

Coppen, Hon/L'hon Shirley (Niagara South/-Sud ND)
Minister without Portfolio, chief government whip/
Ministre sans portefeuille, whip en chef du gouvernement

Cordiano, Joseph (Lawrence L) Vice-Chair, standing committee
on social development/Vice-Président du Comité permanent
des affaires sociales

Cousens, W. Donald (Markham PC)

Cunningham, Dianne (London North/-Nord PC) Progressive
Conservative chief whip/Whip en chef du Parti
progressiste-conservateur

Curling, Alvin (Scarborough North/-Nord L) opposition deputy
whip/whip adjoint de l'opposition

Dadamo, George (Windsor-Sandwich ND) PA to Minister of
Transportation/Ap du ministre des Transports

Daigeler, Hans (Nepean L)

Drainville, Dennis (Victoria-Haliburton ND) PA to Minister of
Municipal Affairs; Chair, select committee on Ontario in
Confederation/Ap du ministre des Affaires municipales,
président du Comité spécial sur le rôle de l'Ontario au sein
de la Confédération

Duignan, Noel (Halton North/-Nord ND) Chair, standing
committee on the Legislative Assembly; Co-Chair, special
committee on the parliamentary precinct/Président du
Comité permanent de l'Assemblée législative, coprésident
du Comité extraordinaire de l'enceinte parlementaire

Elston, Murray J. (Bruce L) Leader of the Official Opposition/
Chef de l'opposition officielle

Eves, Ernie (Parry Sound PC) Progressive Conservative House
leader/Chef parlementaire du Parti progressiste-conservateur

Farnan, Mike (Cambridge ND) First Deputy Chair of the
Committee of the Whole House/Premier vice-président du
Comité plénier de l'Assemblée législative

Fawcett, Joan M. (Northumberland L)

Ferguson, Hon/L'hon Will (Kitchener ND) Minister of
Energy/Ministre de l'Énergie

Fletcher, Derek (Guelph ND) PA to Minister of Consumer and
Commercial Relations/Ap du ministre de la Consommation
et du Commerce

Frankford, Robert (Scarborough East/-Est ND)

Gigantes, Hon/L'hon Evelyn (Ottawa Centre/-Centre ND)
Minister of Housing/Ministre du Logement

Grandmaître, Bernard C. (Ottawa East/-Est L)

Grier, Hon/L'hon Ruth A. (Etobicoke-Lakeshore ND)
Minister of the Environment, minister responsible for the greater Toronto area/Ministre de l'Environnement, ministre responsable du Bureau de la région du grand Toronto

Haeck, Christel (St. Catharines-Brock ND)

Hampton, Hon/L'hon Howard (Rainy River ND) Attorney General/Procureur général

Hansen, Ron (Lincoln ND) Chair, standing committee on finance and economic affairs; Chair, standing committee on regulations and private bills/Président du Comité permanent des finances et des affaires économiques, président du Comité permanent des règlements et des projets de loi privés

Harnick, Charles (Willowdale PC)

Harrington, Margaret H. (Niagara Falls ND) PA to Minister of Housing/Ap du ministre du Logement

Harris, Michael (Nipissing PC) leader of the Progressive Conservative Party/Chef du Parti progressiste-conservateur

Haslam, Hon/L'hon Karen (Perth ND) Minister of Culture and Communications/Ministre de la Culture et des Communications

Hayes, Pat (Essex-Kent ND) PA to Minister of Agriculture and Food (agriculture)/Ap du ministre de l'Agriculture et de l'Alimentation (agriculture)

Henderson, D. James (Etobicoke-Humber L)

Hope, Randy R. (Chatham-Kent ND) PA to Minister of Community and Social Services/Ap du ministre des Services sociaux et communautaires

Hugot, Bob (Sarnia ND) PA to Minister of Energy/Ap du ministre de l'Énergie

Jackson, Cameron (Burlington South/-Sud PC) Chair, standing committee on estimates/Président du Comité permanent des budgets des dépenses

Jamison, Norm (Norfolk ND) PA to Minister of Industry, Trade and Technology, responsible for small business/Ap du ministre de l'Industrie, du Commerce et de la Technologie, délégué aux Affaires des petites entreprises

Johnson, Paul R. (Prince Edward-Lennox-South Hastings/Prince-Edward-Lennox-Hastings-Sud ND)
PA to Minister of Revenue/Ap du ministre du Revenu

Jordan, W. Leo (Lanark-Renfrew PC)

Klopp, Paul (Huron ND) PA to Minister of Agriculture and Food (food)/Ap du ministre de l'Agriculture et de l'Alimentation (alimentation)

Kormos, Peter (Welland-Thorold ND) Chair, standing committee on resources development/Président du Comité permanent du développement des ressources

Kwinter, Monte (Wilson Heights L)

Lankin, Hon/L'hon Frances (Beaches-Woodbine ND)
Minister of Health, minister responsible for the provincial anti-drug strategy/Ministre de la Santé, ministre déléguée à la Stratégie antidrogue provinciale

Laughren, Hon/L'hon Floyd (Nickel Belt ND) Deputy Premier, Treasurer of Ontario and Minister of Economics/Vice-premier ministre, Trésorier de l'Ontario et ministre de l'Économie

Lessard, Wayne (Windsor-Walkerville ND) PA to Minister of Colleges and Universities/Ap du ministre des Collèges et Universités

Mackenzie, Hon/L'hon Bob (Hamilton East/-Est ND)
Minister of Labour/Ministre du Travail

MacKinnon, Ellen (Lambton ND) Vice-Chair, standing committee on the Legislative Assembly/Vice-Présidente du Comité permanent de l'Assemblée législative

Mahoney, Steven W. (Mississauga West/-Ouest L) chief opposition whip/Whip en chef de l'opposition

Malkowski, Gary (York East/-Est ND) PA to Minister of Citizenship, responsible for human rights, disability issues, seniors' issues and race relations/Ap de la ministre des Affaires civiles, déléguée aux Droits de la personne, aux Affaires des personnes handicapées, aux Affaires des personnes âgées et aux Relations interraciales

Mammoliti, George (Yorkview ND) PA to minister responsible for the provincial anti-drug strategy/Ap de la ministre déléguée à la Stratégie antidrogue provinciale

Mancini, Remo (Essex South/-Sud L) Chair, standing committee on general government/Président du Comité permanent des affaires gouvernementales

Marchese, Rosario (Fort York ND) PA to the Premier, PA to Minister of Intergovernmental Affairs/Ap du premier ministre, ap du ministre des Affaires intergouvernementales

Marland, Margaret (Mississauga South/-Sud PC) Vice-Chair, standing committee on estimates/Vice-Présidente du Comité permanent des budgets des dépenses

Martel, Hon/L'hon Shelley (Sudbury East/-Est ND) Minister of Northern Development and Mines/Ministre du Développement du Nord et des Mines

Martin, Tony (Sault Ste. Marie/Sault-Sainte-Marie ND) PA to Minister of Education/Ap de la ministre de l'Éducation

Mathysen, Irene (Middlesex ND) PA to Minister of the Environment, government whip/Ap de la ministre de l'Environnement, whip du gouvernement

McClelland, Carman (Brampton North/-Nord L)

McGuinty, Dalton J.P. (Ottawa South/-Sud L)

McLean, Allan K. (Simcoe East/-Est PC) Vice-Chair, standing committee on government agencies/Vice-Président du Comité permanent des organismes gouvernementaux

McLeod, Lyn (Fort William L)

Miclash, Frank (Kenora L) opposition chief whip/Whip en chef de l'opposition

Mills, Gord (Durham East/-Est ND) PA to Solicitor General/Ap du Solliciteur général

Morin, Gilles E. (Carleton East/-Est L) Deputy Speaker and Chair of the Committee of the Whole House/Vice-Président et Président du Comité plénier de l'Assemblée législative

Morrow, Mark (Wentworth East/-Est ND) Chair, standing committee on administration of justice/Président du Comité permanent de l'ombudsman, vice-président du Comité permanent de l'administration de la justice

Murdoch, Bill (Grey PC)

Murdock, Sharon (Sudbury ND) PA to Minister of Labour/Ap du ministre du Travail

North, Hon/L'hon Peter (Elgin ND) Minister of Tourism and Recreation/Ministre du Tourisme et des Loisirs

O'Connor, Lawrence (Durham-York ND) PA to minister responsible for the greater Toronto area; Vice-Chair, standing committee on regulations and private bills/
Ap de la ministre responsable du Bureau de la région du grand Toronto, vice-président du Comité permanent des règlements et des projets de loi privés

Offer, Steven (Mississauga North/-Nord L)

O'Neil, Hugh P. (Quinte L)

O'Neill, Yvonne (Ottawa-Rideau L) opposition deputy whip/
Whip adjointe de l'opposition

Owens, Stephen (Scarborough Centre/-Centre ND) PA to Minister of Financial Institutions, government whip/
Ap du ministre des Institutions financières, whip du gouvernement

Perruzza, Anthony (Downsview ND) PA to Minister for Skills Development/Ap du ministre de la Formation professionnelle

Philip, Hon/L'hon Ed (Etobicoke-Rexdale ND) Minister of Industry, Trade and Technology/Ministre de l'Industrie, du Commerce et de la Technologie

Phillips, Gerry (Scarborough-Agincourt L)

Pilkey, Hon/L'hon Allan (Oshawa ND) Solicitor General, Minister of Correctional Services/Solliciteur général, ministre des Services correctionnels

Poirier, Jean (Prescott and Russell/Prescott et Russell L)

Poole, Dianne (Eglinton L) Vice-Chair, standing committee on public accounts/Vice-Présidente du comité permanent des comptes publics

Pouliot, Hon/L'hon Gilles (Lake Nipigon/Lac-Nipigon ND) Minister of Transportation, minister responsible for francophone affairs/Ministre du Transport, ministre délégué aux Affaires francophones

Rae, Hon/L'hon Bob (York South/-Sud ND) Premier, Minister of Intergovernmental Affairs/Premier ministre, ministre des Affaires intergouvernementales

Ramsay, David (Timiskaming L)

Rizzo, Tony (Oakwood IND)

Runciman, Robert W. (Leeds-Grenville PC) Chair, standing committee on government agencies/Président du Comité permanent des organismes gouvernementaux

Ruprecht, Tony (Parkdale L)

Scott, Ian G. (St. George-St. David L)

Silipo, Hon/L'hon Tony (Dovercourt ND) Chairman of the Management Board of Cabinet/Président du Conseil de gestion du gouvernement

Sola, John (Mississauga East/-Est L)

Sorbara, Gregory S. (York Centre/-Centre L)

Sterling, Norman W. (Carleton PC)

Stockwell, Chris (Etobicoke West/-Ouest PC)

Sullivan, Barbara (Halton Centre/-Centre L)

Sutherland, Kimble (Oxford ND) PA to Chairman of the Management Board of Cabinet; Vice-Chair, standing committee on finance and economic affairs/Ap du président du Conseil de gestion du gouvernement, vice-président du Comité permanent des finances et des affaires économiques

Swarbrick, Anne (Scarborough West /-Ouest ND)

Tilson, David (Dufferin-Peel PC)

Turnbull, David (York Mills PC)

Villeneuve, Noble (S-D-G & East Grenville/S.-D.-G. & Grenville-Est PC) Second Deputy Chair of the Committee of the Whole House/Deuxième vice-président du Comité plénier de l'Assemblée législative

Ward, Brad (Brantford ND) PA to Minister of Industry, Trade and Technology with responsibility for trade and technology/
Ap du ministre de l'Industrie, du Commerce et de la Technologie et délégué au Commerce et à la Technologie

Ward, Margery (Don Mills ND) PA to Minister of Government Services/Ap du ministre des Services gouvernementaux

Wark-Martyn, Hon/L'hon Shelley (Port Arthur ND) Minister of Revenue/Ministre du Revenu

Warner, Hon/L'hon David (Scarborough-Ellesmere ND) Speaker; Co-Chair, special committee on the parliamentary precinct/Président, coprésident du Comité extraordinaire de l'enceinte parlementaire

Waters, Daniel (Muskoka-Georgian Bay/Muskoka-Baie-Georgienne ND) PA to Minister of Tourism and Recreation; Vice-Chair, standing committee on resources development/
Ap du ministre du Tourisme et des Loisirs, vice-président du Comité permanent du développement des ressources

Wessinger, Paul (Simcoe Centre/-Centre ND) PA to Minister of Health/Ap de la ministre de la Santé

White, Drummond (Durham Centre/-Centre ND) Vice-Chair, standing committee on the Ombudsman/
Vice-président du Comité permanent de l'ombudsman

Wildman, Hon/L'hon Bud (Algoma ND) Minister of Natural Resources, minister responsible for native affairs/Ministre des Ressources naturelles, ministre délégué aux Affaires autochtones

Wilson, Hon/L'hon Fred (Frontenac-Addington ND) Minister of Government Services/Ministre des Services gouvernementaux

Wilson, Gary (Kingston and The Islands/Kingston et Les Îles ND) PA to Minister of Culture and Communications/
Ap de la ministre de la Culture et des Communications

Wilson, Jim (Simcoe West/-Ouest PC)

Winner, David (London South/-Sud ND) PA to Attorney General, PA to minister responsible for native affairs/Ap du Procureur général, ap du ministre délégué aux Affaires autochtones

Wiseman, Jim (Durham West/Durham-Ouest ND) PA to Minister of Correctional Services/Ap du ministre des Services correctionnels

Witmer, Elizabeth (Waterloo North/-Nord PC)

Wood, Len (Cochrane North/-Nord ND) PA to Minister of Natural Resources/Ap du ministre des Ressources naturelles

Ziemba, Hon/L'hon Elaine (High Park-Swansea ND) Minister of Citizenship, minister responsible for human rights, disability issues, seniors' issues and race relations/Ministre des Affaires civiques, déléguée aux Droits de la personne, aux Affaires des personnes handicapées, aux Affaires des personnes âgées et aux Relations interraciales

**COMMITTEES OF THE LEGISLATIVE ASSEMBLY
COMITÉS DE L'ASSEMBLÉE LÉGISLATIVE**

STANDING COMMITTEES/COMITÉS PERMANENTS

Administration of justice/Administration de la justice

Chair/Président: Vacant

Vice-Chair/Vice-Président: Mark Morrow

Members/Membres: Gary Carr, Jenny Carter, Robert Chiarelli, Mike Cooper, Derek Fletcher, Charles Harnick, Irene Mathysen, Gordon Mills, Jean Poirier, Gregory S. Sorbara, David Winninger
Clerk/Greffière: Lisa Freedman

Estimates/Budgets des dépenses

Chair/Président: Cameron Jackson

Vice-Chair/Vice-Présidente: Margaret Marland

Members/Membres: Gary Carr, Hans Daigeler, Mike Farnan, Paul R. Johnson, Wayne Lessard, Dalton McGuinty, Lyn McLeod, Lawrence O'Connor, Anthony Perruzza, Gary Wilson
Clerk/Greffier: Franco Carrozza

Finance and economic affairs/

Finance et affaires économiques

Chair/Président: Ron Hansen

Vice-Chair/Vice-Président: Kimble Sutherland

Members/Membres: David Christopherson, Norman Jamison, Monte Kwinter, Gerry Phillips, Norman W. Sterling, Chris Stockwell, Barbara Sullivan, Brad Ward, Margery Ward, Jim Wiseman
Clerk/Greffier: Todd Decker

General government/Affaires gouvernementales

Chair/Président: Remo Mancini

Vice-Chair/Vice-Président: Michael A. Brown

Members/Membres: Donald Abel, Gilles Bisson, Dennis Drainville, Margaret H. Harrington, George Mammoliti, Rosario Marchese, Bill Murdoch, Yvonne O'Neill, Ian G. Scott, David Turnbull
Clerk/Greffière: Deborah Deller

Government agencies/Organismes gouvernementaux

Chair/Président: Robert W. Runciman

Vice-Chair/Vice-Président: Allan K. McLean

Members/Membres: James J. Bradley, Jenny Carter, Robert Frankford, Bernard Grandmaitre, Pat Hayes, Rosario Marchese, Dalton McGuinty, Chris Stockwell, Daniel Waters, Jim Wiseman
Clerk/Greffier: Douglas Arnott

Legislative Assembly/Assemblée législative

Chair/Président: Noel Duignan

Vice-Chair/Vice-Présidente: Ellen MacKinnon

Members/Membres: Mike Cooper, Robert Frankford, Norman Jamison, Margaret Marland, Irene Mathysen, Carman McClelland, Gilles E. Morin, Hugh P. O'Neill, Stephen Owens, Noble Villeneuve
Clerk/Greffier: Douglas Arnott

Ombudsman/Ombudsman

Chair/Président: Mark Morrow

Vice-Chair/Vice-Président: Drummond White

Members/Membres: Alvin Curling, Joan M. Fawcett, Christel Haeck, D. James Henderson, Peter Kormos, George Mammoliti, Bill Murdoch, Margery Ward, Paul Wessinger, Jim Wilson, Elizabeth Witmer
Clerk/Greffier: Franco Carrozza

Public accounts/Comptes publics

Chair/Président: Robert V. Callahan

Vice-Chair/Vice-Présidente: Dianne Poole

Members/Membres: James J. Bradley, Sean G. Conway, W. Donald Cousens, Christel Haeck, Pat Hayes, Paul R. Johnson, Ellen MacKinnon, Lawrence O'Connor, David Tilson, Drummond White

Clerk/Greffière: Tannis Manikel

Regulations and private bills/

Règlements et projets de loi privés

Chair/Président: Ron Hansen

Vice-Chair/Vice-Président: Lawrence O'Connor

Members/Membres: Donald Abel, Mike Farnan, Derek Fletcher, Leo Jordan, Ellen MacKinnon, Frank Miclash, Tony Ruprecht, John Sola, Kimble Sutherland, Drummond White, Jim Wilson
Clerk/Greffier: Todd Decker

Resources development/Développement des ressources

Chair/Président: Peter Kormos

Vice-Chair/Vice-Président: Daniel Waters

Members/Membres: Ted Arnott, John C. Cleary, George Dadamo, Bob Huget, Leo Jordan, Paul Klopp, Sharon Murdock, Steven Offer, David Ramsay, Len Wood
Clerk/Greffier: Harold Brown

Social development/Affaires sociales

Chair/Présidente: Elinor Caplan

Vice-Chair/Vice-Président: Joseph Cordiano

Members/Membres: Charles Beer, Christel Haeck, Randy R. Hope, Gary Malkowski, Tony Martin, Lyn McLeod, Stephen Owens, Paul Wessinger, Jim Wilson, Elizabeth Witmer
Clerk/Greffière: Lynn Mellor

SELECT COMMITTEE/COMITÉ SPÉCIAL

Ontario in Confederation/

Rôle de l'Ontario au sein de la Confédération

Chair/Président: Dennis Drainville

Vice-Chair/Vice-Président: Gilles Bisson

Members/Membres: Jenny Carter, Alvin Curling, Ernie Eves, Charles Harnick, Margaret H. Harrington, Gary Malkowski, Irene Mathysen, Steven Offer, Yvonne O'Neill, David Winninger
Clerk/Greffier: Harold Brown

SPECIAL COMMITTEE/COMITÉ EXTRAORDINAIRE

Parliamentary precinct/Enceinte parlementaire

Co-Chair/Coprésident: David Warner

Co-Chair/Coprésident: Noel Duignan

Members/Membres: Dianne Cunningham, Remo Mancini, Kimble Sutherland

Clerk/Greffier: Smirle Forsyth

CONTENTS

Thursday 26 September 1991

Private members' public business

Violence against women, resolution 22	2535
Ms Harrington	2535
Ms Poole	2536
Mrs Witmer	2538
Mr Mills	2539
Mr Jackson	2539
Mr G. Wilson	2540
Mr Owens	2541
Ms Harrington	2542
Agreed to	2550
Employee wage protection, resolution 19	2542
Mr Kwinter	2542
Mrs Witmer	2543
Ms S. Murdock	2545
Mr Phillips	2545
Mr Carr	2546
Mr Johnson	2547
Mr Mahoney	2548
Mr Klopp	2549
Mr Kwinter	2549
Negatived	2550

Members' statements

Armenian independence	2551
Mrs Caplan	
Wellesley festival	2551
Mrs Witmer	
Meals on Wheels	2551
Mr Mills	
Commercial fishing	2551
Mr Brown	
Meals on Wheels	2551
Mr Turnbull	
Purchase of Hydro plant	2552
Mr Wood	
Meals on Wheels	2552
Mrs Fawcett	
Health professions	2552
Mr J. Wilson	
Fall fairs	2552
Mr Sutherland	

Statements by the ministry

Pollution control	2553
Mrs Grier	
TVOntario	2554
Mrs Haslam	

Responses

Pollution control	2554
Mrs Sullivan	
TVOntario	2554
Mr Bradley	
Mrs Marland	
Pollution control	2555
Mr Cousins	

Statements by the ministry

Constitutional reform	2555
Mr Rae	

Responses

Constitutional reform	2558
Mr Elston	
Mr Harris	

Oral questions

Budget	2562
Mr Elston	
Mr Silipo	
Employment	2562
Mr Elston	
Mr Philip	
Education policy	2563
Mrs Cunningham	
Mr Rae	
Assisted housing	2564
Mrs Marland	
Ms Gigantes	
Landfill site	2565
Mr Mahoney	
Mr Cooke	
Ontario economy	2566
Mr Carr	
Mr Philip	
Job security	2566
Mr Abel	
Mr Philip	
Trucking industry	2567
Mr Kwinter	
Mr Pouliot	
Electoral district of Brant-Haldimand	2567
Mr J. Wilson	
Mr Rae	
Advocacy and guardianship	2568
Mr Owens	
Ms Ziemba	

Expo 98	2568
Mr Ruprecht	
Mrs Coppen	
Land registration	2569
Mr Tilson	
Ms Churley	
Pollution control	2570
Mr Johnson	
Mrs Grier	

Petitions

Labour legislation	2570
Mr Runciman	
Religious education	2571
Mr Cooper	

Reports by committees

Standing committee on estimates	2571
Mr Jackson	
Deemed concurred in	2571

Committee of the whole House

Employment Standards Amendment Act (Employee Wage Protection Program), 1991, Bill 70	2571
Mrs Witmer	2572
Mr Offer	2572
Mr Carr	2575
Mr Arnott	2575
Mr Mackenzie	2576
Mr Mahoney	2580
Progress reported	2583

Business of the House	2583
Mr Cooke	

Lists of members

Members and their responsibilities Committees of the Legislative Assembly

TABLE DES MATIÈRES

Le jeudi 26 septembre 1991

Déclarations ministérielles

Réforme constitutionnelle	2555
M. Rae	

Listes des députés

Les députés et leurs responsabilités Comités de l'Assemblée législative

Comité plénier de l'Assemblée législative

Loi de 1991 modifiant la Loi sur les normes d'emploi, (Programme de protection des salaires des employés), projet de loi 70	2571
Étude ajournée	2583

60 1991



60 1991

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Legislative Assembly of Ontario

First Session, 35th Parliament

Assemblée législative de l'Ontario

Première session, 35^e législature

Official Report of Debates (Hansard)

Monday 30 September 1991



Journal des débats (Hansard)

Le lundi 30 septembre 1991

Speaker
Honourable David Warner

Clerk
Claude L. DesRosiers

Président
L'honorable David Warner

Greffier
Claude L. DesRosiers



Table of Contents

Table of Contents for proceedings reported in this issue appears at the back, together with an alphabetical list of members of the Legislative Assembly of Ontario.

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Under the new system, the sequence of numbering started in January 1991 will end with the final House and committee sittings of the present First Session. A new sequence will begin on the opening day of the Second Session, and each succeeding session, which will be issue 1 and begin with page 1. Committee reports likewise will be numbered from the first sitting of each committee in a parliamentary session.

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Table des matières

La table des matières des séances rapportées dans ce numéro se trouve à l'arrière de ce fascicule, ainsi qu'une liste alphabétique de députés de l'Assemblée législative de l'Ontario.

Il existe un index cumulatif des numéros précédents. Les renseignements qu'il contient sont à votre disposition par téléphone auprès des employés de l'index du Journal des débats au (416) 325-7400.

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Avec le nouveau système, la numérotation commencée en janvier 1991 s'arrêtera à la dernière séance de la Chambre et des comités de l'actuelle première session. Une nouvelle série commencera le jour de l'ouverture de la deuxième session et des sessions suivantes : numéro 1, page 1. Les rapports des comités seront également numérotés à partir de la première séance de chaque comité pour une session parlementaire donnée.

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LEGISLATIVE ASSEMBLY OF ONTARIO

Monday 30 September 1991

The House met at 1330.

Prayers.

MEMBERS' STATEMENTS

LOCAL GOVERNMENT WEEK

Mr Mahoney: As I am sure you know, Mr Speaker, since 1985 the Ministry of Municipal Affairs, in co-operation with the Association of Municipalities of Ontario, has set aside a week each year to inform Ontario residents about the roles and responsibilities of local government.

Today marks the beginning of that week this year, 1991, and I would like to take this opportunity to personally congratulate, as the critic for Municipal Affairs for my party, all the men and women who work in local government, both elected officials and staff, who deliver the many good services to their community, whether it be schools, parks, recreation facilities, police protection, fire protection—the list goes on and on.

I find it somewhat disconcerting, however, in light of this government's latest announcements and the last year, where it has given all kinds of difficulties to local government in the area of garbage and waste reduction. It is unfortunate that this government came into power with a promise for openness and yet the Premier refuses to meet with local mayors to discuss issues of grave concern.

Now, right at the beginning of this Local Government Week, the government is talking in terms of a referral on the Sunday shopping issue to the Ontario Municipal Board, which will just create havoc in local government for the residents, and of course more particularly in this case, for those men and women who have to work within local government. It is a shameful display by this government.

POLICE SERVICES

Mr J. Wilson: My statement is directed to the Solicitor General of Ontario. It involves a matter that I have raised several times publicly in this House and privately through letters and phone calls.

The issue I raise once again is the lack of 24-hour policing in areas of my riding of Simcoe West. Every time I have raised this issue, the government has hidden behind an OPP staffing report that was completed in the spring. But while the government stalls, criminals in the area have stepped up their efforts to burglarize communities that pay full tax dollars but lack 24-hour police services.

From January 1991 until the present time, the Stayner OPP detachment has reported 130 break-and-enters. Of these, 104 occurred when local OPP officers went off duty and went on call. These break-ins will cost ratepayers in my riding about \$200,000. In the past 16 days, Ferris Enterprises in Singshampton has been robbed twice while OPP officers were off duty. The thieves took \$23,000 worth of cigarettes and even had time to stop and have a drink of pop.

Here is a quote from an editorial in the Collingwood Enterprise-Bulletin of September 25 regarding the government's foot-dragging on this issue: "Governments are notorious for keeping people waiting. But to keep people waiting for answers when it may concern their safety and welfare is irresponsible."

This government must live up to its social obligations to the people of my riding. Law and order and the safety and security of citizens must be a top priority of this and any government.

WASTE REDUCTION WEEK

Mrs Mathysen: I am glad to tell the House today that several communities in my riding of Middlesex are participating in Waste Reduction Week, which is sponsored by the Recycling Council of Ontario. Waste Reduction Week runs from September 29 to October 6. This week communities in my riding join the rest of the province in participating in a number of locally sponsored events being conducted to remind people of the three Rs: reduce, reuse and recycle.

One of the many events being planned is Zero Garbage Day. In the past, we have concentrated on recycling; now we must also focus our energy on reduction.

As the members can see by the T-shirt I am wearing, the theme of this year's Waste Reduction Week is "The Future Is Rs." Indeed, we can all help protect the environment by reducing the amount of waste that we generate so that it does not become a burden inherited by future generations. Mr Speaker, I am sure you will agree that the Recycling Council of Ontario and all the local participants, not only in Middlesex but throughout the province, should be commended for their hard work in arranging this week's activities.

ONTARIO HUMAN RIGHTS COMMISSION

Mr Curling: Last week the Minister of Citizenship announced that \$6.4 million would be allocated to the Ontario Human Rights Commission to eliminate the agency's 2,500-case backlog. The minister's announcement was surprising, given her previous decision to freeze the commission's funds and her statement that throwing money at the problem would not solve it. Still, as a preliminary short-term measure, this one-time injection of funds may indeed help reduce the case backlog.

Let us hope that in its zeal to deal with what had become a politically embarrassing situation, the government does not get so caught up in the statistics that it loses sight of the importance of seeing that justice is served in each individual case. It should be remembered that many of the cases in the backlog are there because of their complexity, and it is important that those assigned to deal with the backlog are not only experienced but also have a well-developed expertise with the Ontario Human Rights Code.

The minister's statement also promised a review of the Ontario Human Rights Code and the Human Rights

Commission. This much-needed review should be independent and impartial. I am asking the minister and the Premier to refer the matter to an all-party committee of the Legislature to conduct public hearings and make recommendations, as has been recommended by the standing committee on government agencies.

1340

SCHOOL BREAKFAST PROGRAM

Mrs Cunningham: Mr John Snobelen, chairman of the Hunger Project, reminds us that today marks the first anniversary of the World Summit for Children. It was the largest-ever summit of heads of state, where over 100 nations promised to set down plans of action by the end of 1991 to provide the basis for the healthiest and best-educated children on this planet.

As this nation debates the latest constitutional proposal, it would be easy for us to forget that every day 40,000 children in the world die of preventable causes. Children in Canada are going hungry and suffering neglect and abuse. It is estimated that one child in six in Ontario lives in poverty.

Studies have indicated that there is a relationship between hunger and the ability of children to excel at school. Recognizing this problem, Mr Ian Sorbie came forward and, working with children, teachers and administrators, established a breakfast program for the children at Roden elementary school in Toronto. Each day, 168 children receive a nutritious breakfast at a cost of \$150 a day. He feels this experience can now serve as a model that can be replicated in other schools throughout the province. Establishing a breakfast program for elementary school children in partnership with the private sector is an initiative my party supports.

Given the fact that this is the first anniversary of the World Summit for Children, I would urge the Minister of Education to begin consultation to make these kinds of breakfast programs happen in our province.

CONSERVATION

Mr Abel: Southwestern Ontario contains a wide variety of flora and fauna that are found nowhere else in Canada. This region, extending from Toronto to Grand Bend and south to Lake Erie, contains vegetation similar to that found in the southeastern United States, and has thus been termed the Carolinian life zone. Exotic trees like the flowering dogwood, sassafras, sycamore, tulip tree and black walnut are scattered among the deciduous hardwoods and conifers more typical of northeastern Canada. It is the home of some unusual species such as the Carolina wren, the flying squirrel and the opossum.

Since most of the remaining Carolinian zone is under private ownership, the key to conserving important natural areas is to ensure private stewardship. In the region of Hamilton-Wentworth, thousands of acres of land consist of part of the remaining Carolinian life zone. The reason so much of this land is preserved, not only in Hamilton-Wentworth but also in the rest of the Carolinian life zone, is largely due to the support of a very special group of people: private land owners committed to preserving the natural features of their properties.

In recognition of their contribution to sound management, I ask that all members of the Legislature join me in thanking these people for their role in protecting and preserving our natural heritage.

CHAMBERS OF COMMERCE CONFERENCE

Mr Miclash: The annual fall meeting of the Northwestern Ontario Associated Chambers of Commerce concluded this weekend in Kenora. A working conference discussed 45 resolutions and adopted 33. Resolution topics covered small business and economic development, transportation, land use and resource management. Gathered in Kenora for this most important conference were 70 chamber members from 14 chambers across northwestern Ontario.

As most people in the House are aware, NOACC will be meeting with cabinet to discuss its resolutions later this year. A resolution of note dealt with land use and resource management. It recommended as follows: "The Ministry of Northern Development and Mines be the lead agency in a process to review and administer the uses and disposition of crown land in northern Ontario. The process should result in a policy which is coherent, sensible, reasonable and flexible."

Upon reviewing the chamber's work, I see a good number of such resolutions that will well represent the thoughts, aspirations and needs of many of my constituents. However, during a presentation on Saturday morning, Tom Corcoran, the provincial president of the chamber, indicated that the present NDP government is not paying attention to the needs of small business in Ontario. I agree with the chamber president that this government must listen to all people, and not just those private-interest groups that put it into power.

DEVELOPMENTALLY DISABLED

Mr B. Murdoch: As a result of a meeting with community living groups in my riding, I would like to remind the Minister of Community and Social Services of a promise she made and has obviously forgotten. On December 20 of last year, the minister made a statement to this House advising members that she would reduce the significant gap in wages paid to workers in ministry facilities compared to wages paid to workers in community agencies. This would be done, she said, because "the government is committed to providing community agencies with the resources necessary to recruit and retain quality workers."

It was a lovely speech, and it gave the agency staff in my area hope that their dedication and efforts would be rewarded. But now they are convinced that the minister had no intention of following up on her promise, as in the almost 10 months since she made this commitment, nothing has been done to change this situation. Even the Minister of Health was quoted on June 24 as saying she was horrified by the inadequacies of the two groups.

When will the Minister of Community and Social Services acknowledge her words of December 20 and take action? When will she recognize the value of community agency workers, or is this just another typical socialist broken promise?

INTERNATIONAL PLOWING MATCH

Mrs MacKinnon: September 17 to September 21 marked the culmination of three years of hard work and dedication by an army of volunteers in Lambton county. Why, members may ask. The answer, of course, is the successful 1991 International Plowing Match. This is the largest farm equipment and machinery show in North America, with its plowing competitions, displays and collection of farm-related materials and products.

My hat is off to the plowing match committees for their dedication to making this the best-organized such occasion ever held in Ontario. I realize it is dangerous to mention individual names, but I would be remiss if I overlooked Mr Leonard McNeil, who as chairman guided this event and the project to the success it was.

For the five days of the plowing match, Lambton was front and centre, along with rural Ontario, and I am proud to have had an opportunity to highlight this great part of our province in Lambton county to over 180,000 people who attended. Next year this exhibit takes place in Victoria county, which is part of the riding of one of our colleagues. I thank everyone in the Legislature who attended opening day. Their support was much appreciated.

MINISTERIAL STATEMENTS

Mrs Marland: Mr Speaker, I rise on a point of order under standing order 31(a). This standing order is in our rules to allow ministers an opportunity to inform all members of this House on matters of importance. The Minister of Culture and Communications has made a mockery of this standing order today.

Instead of informing the House of her actions in regard to TVOntario, a matter which was first brought to the attention of this House by myself, she instead made her announcement in the media studio. It was my assumption that on a matter of such significance to the people of this province, who have a right to know, this minister would have served the courtesy to the members of this House by making her statement in this House. This shows a lack of respect for not only the rules of this Legislature, but also for all members of this House today.

The Speaker: To the member for Mississauga South, I appreciate her bringing this to my attention. The standing orders allow ministers the opportunity to make statements. It does not oblige them to make statements. The Speaker does not have any control over events which occur outside the chamber.

Hon Mr Cooke: Mr Speaker, I understand the ruling you just made, but I might just point out to the member that it is my recollection that the Minister of Culture and Communications last Thursday put the House on notice that the report was going to be released the following day and that it would be made available to the press and to the opposition parties. She made that statement in the House as a courtesy and out of respect to the Legislature, and I think she should be congratulated on the approach she took.

1350

Mr Elston: Following up on the point just very briefly, it seems to me the government House leader has missed the whole point of the exercise that has just occurred in the media studio. Here we have one of the top administrators of government activity in the province who has tendered his resignation and there is no explanation, no indication in this chamber of how this chief public administrator has come to fall on a resignation letter. There is a requirement, because this has made it a matter of importance to the people of the province, that a full explanation be made here in the chamber, as opposed to it being made out in a media studio.

I can understand that it was courteous of the minister to tell us that the report was about to arrive last week on a day which was outside the sitting of the House, but here the resignation has arrived on her desk prior to the opening of this sitting of the Legislature and she owes it to us to explain why there was a resignation tendered.

Interjections.

The Speaker: We are obviously relaxed and ready for question period.

I appreciate the comments that have been raised by the Leader of the Opposition and the government House leader as well as the member for Mississauga South. I think members understand the standing orders well. However, the leader seems to have raised material that may indeed be the subject of questions for question period, which is now about to begin.

Mrs Marland: On a point of privilege, Mr Speaker: The government House leader just stood in this House and said that the minister had said in this House on Thursday that she would release the auditor's report on TVOntario the next day. In fact, her statement to this House was that she would release the auditor's statement when she was assured through the commissioner of the Freedom of Information and Protection of Privacy Act that there was no risk to anyone by the release of that report.

The Speaker: Would the member take her seat, and with everyone's co-operation, we can begin question period.

ORAL QUESTIONS

BUDGET

Mr Elston: By bits and pieces, we will gradually get this story filled in.

Perhaps what I could do is go back to my favourite minister, the Treasurer of the province, who by his own admission has been spot on. Last week he told us that his revenue projections are spot on, that he intends to keep his reckless deficit of \$9.7 billion spot on, and he identified two culprits for us as being responsible for part of his overspending. He mentioned pensions and he also mentioned one other which escapes me—firefighting, I guess, in the north—as being out from what they had expected.

Since we have heard on the weekend through press reports that it is not hundreds of millions of dollars but probably over a billion dollars that he intends to cut from the over \$9.7-billion expenditure level, can the Treasurer identify for us other problem areas of spending?

Hon Mr Laughren: I was interrupted at the very end of the—

Mr Elston: What other spending areas are getting him into trouble, welfare?

Hon Mr Laughren: First of all, I would not want to get into speculation on what was written in the tabloids over the weekend. However, I would simply say that what I said to the leader of the official opposition last week was that the actuarial shortfall in the pension plans was causing us heartburn, if you will, that there was an excess in spending on firefighting, that our social service case load was higher than we thought it was going to be, and finally, that there is an open-endedness to our health care system, as the member opposite knows better than most, I believe.

When you add up all the expenditure pressures, they do indeed come to several hundred million dollars, which is the reason, I think, that the leader of the official opposition would want me to state before all members of the House in more detail just what those pressures are, and I intend to do that on Wednesday.

Mr Elston: I wonder if the Treasurer can confirm to us that in fact he has a certain series of guiding principles which he is using to establish the cuts. Having confirmed that there are those principles there, will he enumerate those principles before he makes his statement on Wednesday?

Hon Mr Laughren: I am not too sure what the leader of the official opposition is fishing for. However, I do know that I am not going for the bait. I should tell the leader of the official opposition that we are concerned that we do not simply take a meat axe to the constraint program in which we find ourselves. We want to do it in keeping with the priorities of the government, because I think to do otherwise would be simply to mimic what has been done in other jurisdictions, and that is not our intention.

Mr Elston: All I asked the Treasurer to do was tell us exactly what series of parameters he was going to be viewing as he looked at the restraint exercise his government is going through. He has so far refused to tell us, first of all, the size of the problem, which he says he is going to tackle on Wednesday. He will not confirm that number to us. He will not tell us what parameters he is using to view the cuts and he is not letting us know the areas in which there are problems. If he is looking for help from us, he must share the problems with us and he is not doing that.

Having admitted that the budget he cast in April has been abandoned by himself and his colleagues, will this Treasurer tell us now what new types of goals he has established for the financial planning and expenditure controls in the province?

Hon Mr Laughren: I am pleased the leader opposite wants to share the burden, because we would like very much to share it with him. There has been no alteration in the principles under which we intend to govern this province. That has not changed from the budget that was brought down earlier in the spring. We intend to pursue those sets of principles.

I would say to the leader, however, that we thought at the time, and I still believe, there was not put in place the kind of mechanism that would allow government to look

at the entire reallocation process in order to establish priorities, in particular for a new government, but for any government. I think that the leader opposite would agree with me, in view of the fact that his government had great difficulty in doing any kind of accurate forecasting, as is evidenced by the deficit last year.

Mr Elston: I will not agree with the honourable Treasurer on that point. We delivered a balanced budget the year before last. They took over and they did wonderful things with our budget last year, in addition to everything else. But let me return to the Treasurer.

One of the primary focuses of the budget, as indicated in April when it was delivered by the Treasurer, was that it was to stimulate the economic activity in the province, and one of the keystones of that was a whole of series of capital works. I wonder, after having looked at the \$9.7-billion deficit that was forecast then, and now being told that he is not satisfied he can maintain that without taking some sort of actions, if he can tell us how many capital works in the public highways programs, including the four-laning of Highway 69, he has shelved.

Hon Mr Laughren: I assume the member opposite is talking about the anti-recession package. He did not quite say that. We are going to be doing an update on that for all members, as a matter of fact, because the last time I checked, I believe about 85% of the entire anti-recession package had either been completed, started or was about to start. That is of the total \$700-million package. I think it would be contradictory for us to start cutting back on the capital expenditure program, especially as was detailed in the anti-recession package, at a time when we are trying to stimulate employment in the province. It is our intention not to slash capital expenditures in the province. I think that would not be wise at this time.

1400

Mr Elston: Having now heard that there will not be any capital programs cut during the speech which will come on Wednesday, as soon as the Treasurer gets his instructions from the Minister of Health—Health ministers usually do tell Treasurers lots of things during the planning for economic expenditures—can I be absolutely assured that the statement the Treasurer just made here that no capital programs will be cut as part of his cost-cutting exercise will in fact be delivered upon?

Hon Mr Laughren: To be fair, I think what I said to the member opposite was that I did not believe slashing capital programs under the anti-recession package was the right direction to go. I am not going to stand in my place and say that in that entire some \$4 billion in capital expenditures every single one of them will be completed according to the schedule we had hoped for this year. That is yet to be determined, so I am not going to allow the member opposite to paint me into a corner. If I want to paint myself into a corner, that is one thing, but I am not going to allow the member opposite to do it.

Mr Elston: This is an interesting conversation the Treasurer and I are having. First he says, "There will be no capital cuts." Then he says, "But I don't really mean that; there might be some someplace."

Mr Speaker, can I ask the question which is quite obvious? Can the Treasurer confirm to the House that his bureaucracy, that is, Treasury, is not involved in the final program planning, that in fact it is all being handled by the treasury board, which is newly formed but without legislative capabilities, and that in fact the treasury board bureaucracy, which is newly formed but without legislative capacity, is driving this whole exercise, thus leaving the Treasurer out in the cold on exactly what principles are being applied to the restraint program, how much the dollar figure is and what areas are in jeopardy?

Hon Mr Laughren: No, the leader of the official opposition is dead wrong. First, the treasury board legislation was brought before this House and passed in June of this year, so to say that we are not operating with legislative approval is factually incorrect. Second, I chair the treasury board myself, so it is hardly leaving me out of the picture when I chair that board. Finally, there is a set of principles or terms of reference which will guide all of the restraint program as it affects all the ministries. So it is simply not correct. The member is incorrect on every one of the assertions in his question.

Mr Villeneuve: I have a very important lead question to the Minister of Agriculture and Food. I see he is not here. I know he is in Milton and is supposed to be back shortly. I will ask to stand down my lead question until the Minister of Agriculture and Food returns.

The Speaker: Is there a second lead question?

Mr Carr: I will proceed.

RETAIL STORE HOURS

Mr Carr: My question is for the Solicitor General. The Solicitor General will know that we spent the summer going around and hearing from the public on the Sunday shopping issue and that significant portions of the province have said they will be open on Sunday. Notwithstanding the Premier's commitment to have a common pause day, we heard from Windsor, Collingwood, Thunder Bay, Kenora and parts of Kingston that they will be open.

Lo and behold, we get the amendments that have come through from this government, which say, "Any person who objects to a bylaw made by the council of a municipality under section 4 may appeal to the Ontario Municipal Board." We are already looking at a backlog of between 12 to 15 months at the Ontario Municipal Board. At a time when we are talking about allocating resources, how can the minister justify to the people of this province lobbying more responsibilities on an already overburdened board?

Hon Mr Pilkey: The government is anxious to proceed to clause-by-clause so that we might deal with the bill and all its amendments and return third and final reading to this House as expeditiously as possible. Of course, I would seek members' co-operation in assuring that circumstance.

Not to belabour the topic beyond that but simply to respond to the question, under the amendments the Ontario Municipal Board will be asked to use its best efforts to try to hear appeals within 90 days so that in fact businesses

that do receive the tourism exemption are not held up in an unnecessary fashion.

Mr Carr: The problem is when these boards and agencies come in. We talk about the rent review board. It sounded like a great idea when it came in, but lo and behold, it is so backlogged now it does not work and there is no justice. The fact of the matter is that if you ask anybody, all these well-intended programs that come in do not work.

Not only is the minister going to lob things into the Ontario Municipal Board, but one of the amendments he is bringing forward is that, "On the application of any interested person, the Ontario Court (General Division) may order that a retail business establishment close on a holiday." Again, talking about resources, we have a situation where in the courts now we have delays if you want to get a divorce. We have well over 35,000 cases being thrown out because it is clogged—cases, I might add, that include sexual assault and drunk driving.

Lo and behold, what does the minister do? He throws more into an overburdened system and now we are going to be looking at a situation where resources are going to be channelled to try and deal with a problem such as Sunday shopping. Again, with the court backlogs out there, how does the minister justify putting resources into this particular program at this time?

Hon Mr Pilkey: I am anxious to debate the bill and the amendments, but as indicated, the amendments have yet to be moved in the committee. I look forward to appearing at the committee and staying with the committee to discuss any and all of these amendments in detail so that we might bring it to the House. At that appropriate juncture, I will be quite happy and pleased to do so and subsequently debate the item when the final amendments to the bill come to the House for final debate.

Mr Carr: Not only do they come in with these hare-brained, crazy ideas, but they refuse to even stand up and talk about them. I can understand why. If I had brought in these crazy ideas, I would be reluctant to talk about them as well.

The minister is looking at all these different programs. He has heard from the public. Everybody on both sides of the issues from Thunder Bay to Peterborough to Ottawa said they did not like the legislation. Both sides of the issue said they did not like the piece of legislation. Now that the minister has come up with a couple of ideas and proposals, what is it going to cost the people? How much more is it going to cost as a result of these ideas that the minister is coming up with? How much is it going to cost?

Hon Mr Pilkey: As I indicated, I am anxious to debate amendments once they have in fact been placed. They must be placed before the committee in clause-by-clause. Those that are adopted will come forward to the House for open debate. I believe at that time the wisdom of the government amendments will be quite apparent to the member and to the public at large.

Mr Sorbara: The Solicitor General is entirely lacking in credibility with those answers. We simply cannot rely on them.

Hon Mr Pilkey: On a point of order, Mr Speaker: I take some offence at the member saying my responses were inappropriate—I think he used something much harsher than that. Is that permissible when the questions are—

The Speaker: If the Solicitor General would take a seat, I believe the member was questioning your credibility. Often members question each other's credibility and the validity of statements made. What would be more helpful would be if members would place questions directly to the ministers from whom they wish to have a response.

Mr Sorbara: Mr Speaker, I will take your advice on that. The point I was simply trying to make is that the Solicitor General, with respect—

The Speaker: Would the member place his question, please.

Mr Sorbara: It is difficult to believe what he says when he says what he says.

1410

My question is to the Attorney General. As members know, two weeks ago the government indefinitely postponed this Legislature's consideration of its Sunday shopping legislation. Last Friday afternoon at 3:30, when most of us were in our constituency offices and most of the press had filed their stories for the day, the Solicitor General brought out his amendments responding to one month of public hearings where most people condemned the bill to regulate Sunday shopping.

Surprisingly, the amendment which was brought forward was to allow an appeal to the Ontario Municipal Board. Maybe one person asked for that during the public hearings, and that is the only amendment we have had from the government.

As my friend the member for Oakville South suggested—

The Speaker: Your question, please.

Mr Sorbara: —there is a 13-month delay at the OMB right now. When the government passes this legislation, every storekeeper who finally gets permission to open a store on Sunday is going to have to wait some 15 to 20 months before a final determination. In this economy that business will probably no longer exist.

The Speaker: Would the member quickly place his question.

Mr Sorbara: What specific steps is the Attorney General taking with the funding of the Ontario Municipal Board? He should not look to the Solicitor General, because the OMB is the Attorney General's responsibility. What steps is he taking to provide additional resources immediately to the OMB so that a storekeeper who is the subject of an appeal from a decision by a local council can get a decision expeditiously and inexpensively in these very difficult economic times?

Hon Mr Hampton: I think it is probably most appropriate that the Solicitor General respond to the honourable member's lecture.

Hon Mr Pilkey: Could I simply respond to the question by making two points? First, the amendment will in fact expedite the situation, which is what we want to do. Second, if both the members from both opposition parties who have urged that this matter get dealt with promptly are concerned with amendments that may cause delay, I suggest to them that if they will meet me and my colleagues at 3:30 this afternoon in the clause-by-clause and co-operate, we might proceed to get this matter dealt with expeditiously and avoid any delays they are alleging.

Mr Sorbara: I am rather glad actually that the question was referred from the Attorney General, who has now abdicated his responsibilities for the OMB to the Solicitor General, because now in my supplementary I can address the question of credibility. The Solicitor General has said he is anxious to proceed with amendments to the bill. Yet the very reasonable amendments that we have put forward to make it somewhat easier for a storekeeper to get through the administrative morass he has created with this bill have already been rejected by him and his ministry and his government. There is no intention at all on his part to give reasonable consideration to the amendments we are putting forward.

The Speaker: Your supplementary.

Mr Sorbara: Although he is not responsible for the OMB, I ask him what additional resources he has requested from the government to provide to the Ontario Municipal Board and to the court system, because he has also allowed for an application to be made to the courts by an agreed individual. Will he please answer me specifically? What additional resources has he asked for for the OMB and the court system in order to handle the very significant increase in case load that will arise because of his bill and these unnecessary amendments? I want to know specifically what resources he has asked for.

Hon Mr Pilkey: The involvement of the Ontario Municipal Board will allow for sober second thought to applications of municipal bylaws for which exemptions are being requested. It is also my understanding that the Ontario Municipal Board will be able to deal on a very expeditious basis and without undue delay or concern. We simply do that in order to help expedite those businesses that are found to be appropriate to have the exemption under the tourism criteria.

AUTOMOBILE INSURANCE

Mr Tilson: I have a question for the Minister of Financial Institutions. Recently the Toronto Star published a story that the government had spent \$5 million to study the impact and cost of government-run auto insurance in this province, and this presumably resulted in the minister backing off from his promise to nationalize the auto insurance industry in Ontario. I will say that certainly I think the people of Ontario are, generally speaking, in favour of the policy the government put forward. What it has done by spending this \$5 million is something our party was telling it to do long ago and which it could have done for free. My question to the minister is, what did he spend the \$5 million on?

Hon Mr Charlton: The member is correct that over the course of the last 10 months we spent approximately \$5 million studying the question of automobile insurance delivery in Ontario. Part of the moneys was spent looking specifically at the question of moving to public auto insurance, the transition to get there and the impact that transition would have on the province, but in addition we also studied in depth the marketplace questions around which the former Liberal government claimed to have made its product and price decisions. This government, as a result of the time, effort and money we spent coming to understand the auto insurance system in this province, is in a better position to ensure, through legislation, regulation and discussion with the insurance industry, that the consumers of this province get a product that is fair and equitable at a reasonable and affordable price.

Mr Tilson: With spending like the minister's, no wonder the Treasurer is going to have to cut several hundreds of millions of dollars. It is a complete waste.

My second question to the Minister of Financial Institutions is that while in opposition, the minister and his party were certainly in full support of full access to the courts with automobile insurance legislation. They were clearly opposed to the Liberal's no-fault auto insurance legislation, which took away full access to the courts by the public of this province.

On December 20, 1990, prior to the minister's appointment, Bill 20, An Act to amend the Insurance Act, was moved by the member for Leeds-Grenville. It passed second reading. The intention of this bill was to reinstate full access to the courts to auto accident victims, including the right to sue for full economic loss. The minister voted in support of this bill on December 20. If it were brought forward today, which way would he vote?

Hon Mr Charlton: It is nice to hear a member of the opposition stand in his place and make the case for the \$5 million we have just spent, which he said was a total waste of money. The private member's bill to which he refers from last December was a bill that was brought forward based on a number of things, including the emotional perspective of the member in question. We have taken the time to understand the marketplace in this province and have done precisely what we have said from the outset that we intended to do, and that is to pursue the question of how best to deliver fair and adequate compensation to accident victims in this province and how to put the best package in place.

Interjections.

The Speaker: We seem to be straying from that which we had agreed upon earlier: a calm and reasoned approach.

1420

CHARITABLE GAMING

Mr Kormos: I first want to thank the member for St Catharines for his offer to me to take his slot in question period. As it is today, I do not need it. There may be a time in the very near future when I do. I hope I can take that as something of a rain check.

I rise today to ask a question because of my great concern. In fact, I am very troubled about the status of the Ontario Head Injury Association here in Ontario. Ray Rempel and his organization have been providing services and leadership.

My question is of the Minister of Consumer and Commercial Relations. Ray Rempel and the Ontario Head Injury Association have been providing an invaluable service to people in this province for some years now. That organization, to the greatest extent, has been self-funded. The hard work of the volunteers and the people who are committed to its goals have enabled it to pay its own way. They recognize that there is going to be less and less money available from governments by way of grants.

They want the opportunity to sell break-open tickets, Nevada tickets, those modest fund-raising efforts that enable them to keep on providing the service. I want the minister to please tell us why the ministry persists in making it more difficult for the Ontario Head Injury Association to sell those tickets, rather than making it easier.

Hon Ms Churley: I am sure the member knows from his experience with the ministry that it is a little more complicated than that. I have met with the organization he mentioned, as well as many other organizations. I certainly understand their concerns and this government and I are very pleased about the contribution they are making. But as the member knows, there are thousands of organizations attempting to raise charitable funds by using break-open tickets for very worthwhile causes. That is why this venue has to be very carefully managed to ensure a level playing field for everybody. The new gaming services act will address the over 50,000 organizations that are trying to raise money through this venue.

Mr Kormos: With great respect to the member, I happen to recall the minister's briefing note on this issue, and it is not thousands; it is a relatively modest number of organizations, including the Ontario Head Injury Association, the Canadian National Institute for the Blind and the Variety Club. These are responsible people who want an opportunity to legally and legitimately raise money to carry on the service they have been providing. The fact is that the Ontario Head Injury Association is deeply in debt and risks literal foreclosure, and the fact is that if it is not there to provide that service, the government is clearly not in a position to fill the gap or fill the vacuum that is created.

When will the minister act, and I say promptly, to make sure the Ontario Head Injury Association can carry on with the fund-raising it has traditionally conducted, without the frustration being encountered from the ministry?

Hon Ms Churley: The updated regulatory framework will deal with this problem, as I said in my previous answer. The problem is that there are many organizations. There is a problem with oversaturation of the market. There are many more charitable organizations out there having the same problems and competing for fewer dollars. The reality is that we have to be fair. I refuse to deal with this piecemeal, because if we make a regulation to deal specifically with break-open tickets, we are going to create another problem for somebody else over here who

is doing just as valuable work raising money through other charitable means. That is why I want to deal with the whole issue in one big piece of legislation, so that everybody is playing on a level playing field.

ONTARIO ECONOMY

Mr Phillips: My question follows along the questions my leader was asking of the Treasurer. As the Treasurer knows, in any presentations we have had, and I certainly think in his budget, there are four key economic indicators that the Treasury officials use: the unemployment level, the CPI or inflation rate, job creation and gross domestic product development.

Based on my analysis, at least, of those four key indicators, all of the four things seem to be performing better than the budget called for. The unemployment rate appears to be running below his estimate of 10%. The CPI appears to be running somewhat lower than his estimate, albeit slightly, but none the less better. The job creation activity: I think he anticipated in the budget 184,000 fewer jobs; I think there are about 135,000 fewer jobs. His gross domestic product numbers are running somewhat better.

I think one of the components of the budget is the economy. Will the Treasurer confirm to the House that the economy year-to-date, based on the Treasury officials' estimate for the rest of the year on those four key indicators, actually is performing modestly better than he anticipated at budget time?

Hon Mr Laughren: Yes. I would stress that the operative word in the member's question, though, is "modestly." The improvement in the numbers he cites, which as I recall are virtually spot on, as the Leader of the Opposition is wont to say, is quite marginal and is not substantial enough to increase our revenues to the degree that would allow us to look after the increased expenditure pressures we are trying to cope with now.

Mr Phillips: The supplementary then follows obviously on that. The economy is performing slightly better than the Treasurer thought. This is the line of questioning my leader has been pursuing. The revenue, presumably, of the economy as it is performing will be spot on, as the Treasurer expressed it. Therefore, can we assume that the budget problem is solely related to expenditures? The economy is performing well; therefore the expenditure needs relative to the economy should be spot on. Without being overly aggressive, can we assume that the out-of-control budget problems are a result of the inability of the government to control expenditures, not the economy but the inability to control expenditures?

Hon Mr Laughren: The member opposite uses an unfortunate series of words to spin together his question, which contrary to his views I find quite aggressive. I think the member opposite should understand, first of all, that he is right in the sense that it is the expenditure problems we are coping with. But to say they are out of control is not fair when the very actions we are taking are to ensure they do not get out of control.

It is not unusual that we have these in-year pressures. Any large organization has them. Other governments have had them as well. We are trying to be more open with the

Legislature and with the people of the province by saying what those problems are. That is why on Wednesday I intend to make a full statement to the Legislature, to make sure it is not all done behind closed doors. We really believe that we have to share information. That is not what previous governments have tended to do, and we want to change that.

ASSISTANCE TO FARMERS

Mr Villeneuve: I go back to the lead question. It is my understanding the Premier will not be here, nor will the Minister of Agriculture and Food, so in their absence I will go to the Treasurer, the Deputy Premier, the man with the purse-strings.

The Treasurer is well aware that the crop crisis in Ontario is at its worst in many years. From Huron to Essex to Brant-Haldimand and throughout eastern Ontario, farmers are suffering very much. This major problem is being discussed today in this Legislature on opposition day and also in the standing committee on resources development.

The Treasurer has had money for many things, but he has not had very much for agriculture: a 3.2% increase in this year's budget over last year, compared to many larger increases in many other ministries. This is a basic industry in deep trouble. They are not crying wolf for nothing. He should have looked. He should have been there. He would have gotten experience. If he visits Essex county any time, he will see the drought. Let him visit the Niagara Peninsula. When will this government bring on some real assistance for our farmers, who are really suffering now?

Hon Mr Laughren: I appreciate the views of the member opposite. I know he shares our concern about the problems in the agricultural community, and he does not exaggerate them one little bit. I want to assure the member as well that the Minister of Agriculture and Food will be here for the debate on agriculture this afternoon, but he simply could not get back in time for question period.

I agree with the member opposite, and I would just ask him to be patient for a very short period of time and the Minister of Agriculture and Food will have a statement to make.

1430

Mr Villeneuve: I appreciate that, and I heard in some of the news broadcasts this morning that the minister does have some sort of emergency assistance. However, there is an emergency across Ontario. Certain areas of Ontario have been hit with a double whammy. I speak of Essex and parts of Kent county, where indeed they have had a drought this year. They have had either a flood or a drought for the last three out of four years. That is not a usual situation, but that is the situation this year.

Will the Treasurer provide them with some additional assistance? Indeed the crop prices are down throughout Ontario, we know that, but that area has been hit by a double whammy. Will the Treasurer be using crop insurance? Crop insurance, as he knows, does not work when you get three bad years out of four, so will they who are in dire straits be getting something supplementary to the rest of the province?

Hon Mr Laughren: I know the member for S-D-G & East Grenville appreciates the fact that the problems in the agricultural community are not just in Ontario but are elsewhere as well. I can assure the member that the Minister of Agriculture and Food has been most aggressive on this issue in fighting for his constituents, the farmers of this province. I do not want to pre-empt what he will have to say, but I can assure the member that he is very much aware and will be making a statement which will contain some assistance.

Mr Villeneuve: Before the Minister of Agriculture and Food makes his statement for whatever the surprise, whether it is good or bad, I want to remind the Treasurer that de Havilland, for example, is receiving \$151 million now and maybe another \$150 million for 4,900 jobs. Those people are Canadian Auto Workers; for some reason they seem to have priority. Elliot Lake, \$250 million for 650 jobs. We are not opposed to this; we are putting it in context of one of the very major industries in this province. Auto insurance: as was spoken of today, \$5 million thrown away. Civil service increase in salary: \$512 million in 12 months, almost the entire budget of the Ministry of Agriculture and Food. TVOntario. We could go on.

The Treasurer had dollars for all of those. We are looking for real support for one of the very basic industries in this province that provides, directly and indirectly, 20% of the jobs in the province. The Treasurer should remember that. What assistance, in light of what I have just said, will the Treasurer provide agriculture?

Hon Mr Laughren: I appreciate the views of the member, but I regret that he persists and other members of his caucus persist in playing one group of people who find themselves in unfortunate circumstances against another. I was, however, pleased to hear the member say that he supported the fact that this government provided assistance for people in Elliot Lake and Sault Ste Marie and Kapuskasing, and trying to do things in a more creative way rather than simply throwing money where there is a problem.

Mr Villeneuve: They have a union.

Hon Mr Laughren: If the member opposite is saying that if working people happen to belong to a union they should not get any assistance, let him stand in his place and say that. Let him stand and say that. The member is trying to have it both ways. He stands on his feet one minute and criticizes the fact that people who happen to belong to a union get assistance, then the next minute he stands and he says he is glad they got that assistance. I wish the member would get his story straight once and for all.

TVONTARIO

Mrs Marland: My question is to the Minister of Culture and Communications. In the minister's own words, in the statement which she chose not to share with this House today and gave in the media studio earlier at 1 o'clock, she said, "It is evident from the report that there have been excesses that are unacceptable to this government and to the people of this province."

Why has the minister agreed to allow Mr Ostry, the person who must ultimately take responsibility for these excesses, to stay on as chairman and CEO until after a conference on public broadcasting at the end of November? In my opinion, it is inappropriate that a person who has compromised public confidence in TVOntario be allowed to represent TVOntario at that conference.

I ask the minister, why is she allowing Mr Ostry to stay in his position as chairman and CEO until December 15?

Hon Mrs Haslam: Mr Ostry offered his resignation to me. I accepted his resignation, effective December 15. This allows TVO a time of transition, it allows Mr Ostry to attend a very important conference, and it allows time for us to find a replacement for him.

Mrs Marland: The minister has said also, in this same statement, "I will be requiring the vice-chair to report to me monthly about these matters." She was referring to expenses and human resources actions. The minister obviously has already bypassed the chairman, the same chairman she is going to continue to pay for two and a half months at \$110,000 per year. I simply ask her, if she has already bypassed him by asking the vice-chair to report to her, then why would she continue to pay the chairman for another two and a half months? Why would she simply not appoint the vice-chair as acting chair in the meantime?

Hon Mrs Haslam: I can only reiterate that Mr Ostry did offer me his resignation, that it is effective on December 15. There were reasons which I have originally stated for leaving Mr Ostry in the position while we put a process in to replace him.

TAXATION

Ms Harrington: My question is also to the Treasurer. This morning on the 8:30 CBC news, I was quite surprised to hear a statement on behalf of the Greater Toronto Home Builders Association in which it claims that our government plans to impose a capital gains tax on people's principal residences. These Toronto home builders also claim that this was somehow buried in our Ministry of Housing discussion paper entitled A Framework for Ontario.

I need to know, does the government in fact plan to impose a capital gains tax on principal residences?

Hon Mr Laughren: I was surprised when I saw that in one of the Toronto tabloids as well, because I do not know where that story came from. But when I saw it, I went back and checked. I do not want to tease the bears over there, but I want to quote from a document I have heard them quote from time to time. This is what it says, "New democrats would deter real estate speculators by introducing a speculation tax on property that is not a principal residence." That was our position when the Agenda for People was written and it still is today.

Ms Harrington: With regard to the tax situation in Ontario, I understand the Fair Tax Commission is looking into all aspects of taxation, including this type of situation. When would the tax commission be reporting to this House?

Hon Mr Laughren: I get questions about the Fair Tax Commission from all over Ontario, so I appreciate the

question from the member for Niagara Falls. I have asked the Fair Tax Commission to come back to me on any number of tax questions during the next three years. However, we are not waiting until the end of three years to take action on some of the tax measures. Two of the tax measures we asked them to fast-track and report to me on, hopefully this year, are the corporate minimum tax and the land speculation tax, which was the tax implied in the member's question. I appreciate the opportunity to clarify that matter for the member.

1440

ONTARIO HYDRO RATES

Mr Conway: My question is to the Minister of Energy. Bill 118, An Act to amend the Power Corporation Act, contains within it a dramatic departure from Hydro policy as we have known it in Ontario for the past number of years. The dramatic departure I want to focus on today is the directive power. The bill introduced by the NDP provides for a cabinet, an executive council, to issue any kind of directive, that the directive must be acted upon by the Hydro board and any costs associated with that directive, irrespective of whether that directive has anything to do with the generation or distribution of electrical power, must be passed on to the electrical consumers.

Can the Minister of Energy explain to the hydro consumers of Ontario exactly what the rationale is for so dramatic a departure and for so sweeping a directive power as that which is contained in Bill 118?

Hon Mr Ferguson: Members of the House ought to know we are not breaking new ground here, this is not new ground being dug by this particular government. What the members opposite ought to look at is the legislation that their federal counterparts put in place to establish Petro-Canada as a crown corporation. What we are proposing here is absolutely no different than what their Liberal counterpart friends did in Ottawa in establishing Petro-Canada.

Mr Conway: I have read the Financial Administration Act of Canada and I have also read the Power Corporation Act, as it has been and as the minister wishes to amend it. I can assure the honourable member that what he has just said does not square with reality either in Ottawa or in Ontario.

I repeat: I ask the minister, on behalf of the new government, to explain how this kind of sweeping, unfettered directive power—which has no legislative oversight, I might add, something quite noticeably lacking in the bill—accords with any kind of principle of accountability. Hydro ratepayers across the province want to know why they should pay the kinds of costs that this kind of directive power might impose upon them.

Hon Mr Ferguson: The purpose of the amendments to the act is very clear. It is going to strengthen the relationship between this government and Hydro in the future, as well as future governments. The main goal and objective and purpose of the amendments is not only to strengthen this relationship but to ensure, unlike in the past where Hydro very often used the back door in dealing with the government of Ontario, that in the future they will be

using the front door in dealing with the government of Ontario.

LAND REGISTRATION

Mr Arnott: My question is for the Minister of Consumer and Commercial Relations. It concerns her plan to close the Arthur land registry office later this week, an office which has been serving the people of Wellington county for well over 100 years, and incidentally which is located less than 200 yards from the house where I grew up.

Opponents of this office closure have filed an application with the Ontario Court (General Division) seeking a declaration from the court that the minister's decision to close the registry office is invalid. My question is this: Since this matter is now before the Ontario Court, will the minister await the court's findings before closing the Arthur land registry office?

Hon Ms Churley: I have certainly heard about the review that has been asked for. I would just like to point out today once again that this was a cabinet decision made some time ago, and that there was—

Interjections.

The Speaker: Order. I imagine the member for Wellington would like to hear the response. He is unable to do so because of a number of his colleagues. Would the minister conclude.

Hon Ms Churley: The decision was a difficult one. An in-depth analysis was made, and as I pointed out before, we are saving the taxpayers of Ontario \$1 million a year plus \$8 million in capital costs. I might also point out that in most parts of Ontario there is one land registry office per county, in the county seat, and that is what we are doing here. In Arthur the plans are still in place to close that office.

Mr Arnott: That reply only underlines the minister's utter disregard for those concerned about this issue, which borders on contempt. Last week the minister showed blatant arrogance by refusing to acknowledge the importance of the work of the standing committee on general government, which held hearings on the registry office issue last July—incidentally, not one presenter to that committee indicated support for the minister's decision—by refusing to delay the closures until the committee makes its recommendations. Today she is saying that the courts in Ontario do not matter either.

How can the minister justify her contempt for the work of her colleagues on a standing committee of this Legislature, and now her total disregard for fairness and the court process in Ontario?

Hon Ms Churley: I do not think anything I said today or on other occasions would in any way indicate that I have contempt for rural areas of Ontario or the court system. As I pointed out before in a question a couple of days ago, although I was unable to attend the standing committee hearings because I was not informed of the date until after plans were made, I did—

Mr B. Murdoch: You were not informed?

The Speaker: Order, the member for Grey. Has the minister concluded her remarks?

Hon Ms Churley: I did indeed pay careful attention to the comments that were made to the standing committee. I have reviewed again the entire situation and upon the review, I have still come to the same conclusions, for at this time in Ontario it is important to rationalize this system for the taxpayers of Ontario.

CONSUMER PROTECTION

Mr G. Wilson: My question is also to the Minister of Consumer and Commercial Relations. I am sure the minister will agree that the marketplace is much more complex than it used to be. I have heard from some of my constituents, and I am sure this is an experience common to many of the members here, that they are often intimidated by the legal jargon they find on contracts for things as simple as cable TV or even renting a car. I wonder if the minister can tell the House what is being done to make sure that our constituents know what they are signing and what responsibilities they are undertaking.

Hon Ms Churley: As the member knows, my ministry is preparing a new consumer code to replace the earlier consumer legislation. A key element of that new consumer code is to require that all consumer contracts be written in plain, clear language, and that is to help the vulnerable consumer, to make sure that people are aware of the implications of what they are signing. I may add that the new code itself will be written in plain language.

1450

ASSISTANCE TO FARMERS

Mr Cleary: The Minister of Agriculture and Food indicated last week that he will soon be making an announcement of additional assistance for Ontario farmers. The minister is aware that the net income stabilization account program would provide assistance to livestock, fruit and vegetable farmers who are not covered under the gross revenue insurance plan program. The minister knows that the payment under the NISA program could be made quickly this fall. The minister also knows that provincial funding of NISA this year would automatically trigger additional federal funding under the terms of the program. Why will the minister not reverse his government's refusal to fund NISA this year as part of his fall farm assistance package?

Hon Mr Buchanan: NISA would address some of the concerns across the farm community. There are other programs and there are other concerns that need to be addressed. We hope to be able to address all those concerns, not simply the NISA program but some of the other major issues as well in the farm community, and we will make an announcement on that very soon.

Mr Cleary: If the minister does not agree with the opposition arguments, perhaps he could talk to the Ontario Federation of Agriculture. The federation is holding a meeting here in the Macdonald Block at Queen's Park on October 16 in order to pressure the Premier and the minister to finally meet face to face on crisis issues affecting agriculture. Will the minister make a commitment today

that he and his Premier will meet with the Ontario Federation of Agriculture to hear the concerns of farmers about the province's lack of commitment to the agricultural industry?

Hon Mr Buchanan: I would like the member to know that I have met with the Ontario Federation of Agriculture from many counties. We met with the county groups. I would also like the member to know that just as recently as noon, I met with the president of the OFA to talk about the farm crisis, along with people from Essex county as well to talk about the drought situation in the province. We have had meetings and discussions with the president of the OFA and we will continue to have ongoing consultations as we look at addressing some of the serious concerns.

ONTARIO STUDENT ASSISTANCE PROGRAM

Mrs Cunningham: I have a question—it is going to be two questions, but I will ask in a different way—for the Minister of Colleges and Universities.

I was encouraged when the minister's government announced last April that he would undertake a comprehensive review of the Ontario student assistance program. His April 23, 1991, news release stated that the review would be completed by August 1991 so that the changes could be implemented for the 1992-93 academic year.

Last Wednesday I met with Laurie Kingston, the chair of the Ontario Federation of Students. She expressed her concern that the timing of the minister's announcement on changes to OSAP has slowed significantly and gave me a copy of a letter from his deputy minister, Dr Bernard Shapiro, stated that the minister will now be accepting submissions until October 15, 1991. When will the minister convene the final meeting of the general advisory committee on OSAP and what is his new time line for completion of the review?

Hon Mr Allen: There is no revised time line. We did in fact complete all the review portion in terms of the steering committee's work. All the information we gathered in that review was put together into a document which then, of course, was fed out again to the community and the universities to respond to. We have a deadline of October 15 for that feedback, and shortly after that date we will be calling the steering committee into place to review the proposals that will be coming from the ministry in response to what we have heard back from the review and the proposals that were contained in it.

BUDGET

Mr Elston: Mr Speaker, on a point of privilege: If I may rise and correct the record, I had suggested that the treasury board bill had not been passed. I was corrected by the Treasurer. I wish to apologize for suggesting otherwise. It received third reading on June 24, 1991, and has been proclaimed. In fact, royal assent was done in June and in August the royal proclamation. The people in treasury board do have full range in this cutting exercise and the fact that the Treasury bureaucrats are excluded is a problem the Treasurer will have to deal with.

PETITIONS

ST JAMES ROMAN CATHOLIC SCHOOL

Mr Carr: I am pleased to table a petition signed by approximately 1,000 concerned residents of Oakville which reads as follows:

"To the Legislative Assembly of Ontario:

"Whereas St James Roman Catholic School has a 35-year history of extensive service to the Oakville community and St James has provided quality education and a focus for the development of numerous communities, particularly of new Canadians,

"We, the undersigned, petition the Legislative Assembly as follows:

"For the urgent personal attention of the Minister of Education to provide significant improvement to our vital community school, St James, through the allocation of \$1.9 million for an addition/renovation."

RESIDENTS' ALLOWANCES

Mr Cooper: I have a petition presented to me by 102 residents of Sunnyside Home in Kitchener. It is to the Parliament of Ontario, Queen's Park, Toronto:

"We, the undersigned, petition the Parliament of Ontario as follows:

"Residents in homes for the aged receive a comfort allowance each month of \$112. Out of this amount, residents must purchase a number of items and services both discretionary and non-discretionary. Residents must purchase their own eyeglasses, clothes, shoes and toiletries. Residents must pay for their own dental care including dentures. Residents must pay for all their hair appointments. Also out of this amount residents may purchase cigarettes, alcohol, gifts for families, transportation, ie taxi charges, telephones, cable TV, and if anything is left over, entertainment.

"There has not been an increase in this amount for at least six years, not since 1985.

"Through this petition we hope to let the Ontario government know we need an increase. If we received 5% per year for the last six years we would now be receiving \$150.09 per month. We feel that our comfort allowance must be increased to \$150 per month retroactive to January 1991 and we must receive a cost-of-living increase each year following."

ASSISTANCE TO FARMERS

Mr Elston: I have a petition to the Legislative Assembly of Ontario:

"Whereas grain and oilseed farmers in the province of Ontario are experiencing the most severe shortage of cash flow in the history of the industry;

"Whereas the government of Ontario has failed to provide sufficient cash-flow assistance to farmers during the transition from old ad hoc programs to new safety-net programs in order that they may meet their financial obligations;

"I/We, the undersigned, petition the Legislative Assembly of Ontario as follows:

"That the government of Ontario provide an immediate 1% contribution to NISA—net income stabilization account—for Ontario producers and waive the one third pro-

ducer premium deduction with the Ontario grain stabilization program and take other necessary measures to ensure the survival of the family farm in Ontario."

This is signed by some 1,500 people from Ontario, and I have affixed my name to the petition.

OATH OF ALLEGIANCE

Mr J. Wilson: I am privileged to rise today and present a petition to the Legislature of Ontario. It reads as follows:

"Whereas the Queen of Canada has long been a symbol of national unity for Canadians from all walks of life and from all ethnic backgrounds;

"Whereas the people of Canada are currently facing a constitutional crisis which could potentially result in the breakup of the federation and are in need of unifying symbols;

"We, the undersigned, respectfully petition the Legislative Assembly of Ontario to restore the oath to the Queen for Ontario's police officers."

That is signed by some 100 residents of my riding of Simcoe West, from Wasaga Beach, Collingwood and New Lowell.

ENVIRONMENTAL PROTECTION

Mr Carr: I am pleased to table a petition signed by the residents of the Oakville and Burlington area which reads as follows:

"To the Legislative Assembly of Ontario:

"We, the undersigned, respectfully petition the Legislative Assembly of Ontario to ensure that our elected officials work to preserve and protect the environment of Ontario for the future of the children of our province."

INTRODUCTION OF BILLS

ARMENIAN COMMUNITY CENTRE
OF CAMBRIDGE ACT, 1991

Mr Farnan moved first reading of Bill Pr68, An Act respecting the Armenian Community Centre of Cambridge.

Motion agreed to.

1500

ORDERS OF THE DAY

OPPOSITION DAY:

FARM INCOME

Mr Villeneuve: On behalf of the member for Nipissing and in his absence, may I have agreement of the House to move this motion on opposition day special debate?

Agreed to.

Mr Villeneuve: Thank you. This is a most important debate.

Mr Villeneuve moved, on behalf of Mr Harris, opposition day motion 1:

That this House, having witnessed the serious deterioration of crop prices through 1991, particularly in grains and oilseeds, and realizing that the new federal-provincial support programs are not in place for the 1990-91 crop year, further realizing that the Ontario government has refused to participate in the NISA program this year, and

recognizing that Ontario farmers require the same commitment from their provincial government as farmers across Canada receive from their provincial governments to create a more level playing field, observing that consultations with farm groups have not yielded necessary emergency aid, and recognizing that drought conditions in southwestern Ontario have compounded an already desperate farm income situation, and also recognizing that Ontario agriculture has been neglected as a priority by the government, calls upon the Premier and cabinet to participate in the NISA program for this year and to introduce further measures to give Ontario producers at least the same protection for 1990-91 that they will have under the new safety net programs, in order to meet the commitment made by agriculture ministers at their meeting in Regina in March 1991.

The Speaker: Does the member have opening comments?

Mr Villeneuve: I also ask the indulgence of this House to have not only the opening remarks but also the wrapup remarks, as if the motion were my own.

Agreed to.

Mr Villeneuve: This is a rather sad day to be debating a situation that has been coming to the fore for quite a number of weeks and indeed months. The writing has been on the wall regarding—

Mrs Mathysen: Years. Ten long years.

Mr Villeneuve: The opposition parties are saying, "Ten long years." I have been in this Legislature for seven years and have never seen the prices we have now. I can tell the members opposite that when we consider inflation and cost of input, farmers at this particular time are getting a price 30% lower than in the Dirty Thirties, the Depression time. Opposition members can say 10 long years all they want. Never has agriculture been hit as hard as in the last 12 months, 30% below the Dirty Thirties' prices when adjusted. They can say 10 long years all they want and try to pass on the responsibility which is now theirs but, whether they want it or not, it is now theirs.

As I mentioned in my lead question to the Treasurer, in the absence of the Premier and of the Minister of Agriculture and Food, this government seemed to have many millions of dollars for what it perceived as its agenda. Indeed, when they were fighting this election campaign last year they made promises, particularly in southwestern Ontario, and we did get many elected MPPs from the rural parts of southwestern Ontario.

I hope the members have read some of the letters to the editor in the last edition of *Farm and Country*. There is an eye-opener there for them. As time goes on I will quote a few just to make sure of reminding them they are the government and that they promised agriculture they would be different from the Liberals and the Tories. They were going to be looking after the problems of the farmers, the basic industry of Ontario, but a 3.2% increase in the budget is certainly not looking after the farming community very well.

I will just quote a little bit here from an editorial by John Phillips, someone everyone reads in the rural com-

munity. "Where's Bob Rae When He's Needed?" That is the question. That is the headline. The initial statement says, "When inflation is taken into account, grain and oil-seed prices run 30% below those of the Dirty Thirties." Those are not my statements. Those are accurate statements from a very respected farm writer, John Phillips. The members opposite can say 10 years all they like. They can try to dump the responsibility, but it is their baby. They are in the driver's seat; they have the levers of power.

I am pleased to see the Minister of Agriculture and Food back from Milton. I knew he was in Milton today and was hoping he would be back in sufficient time to answer the question. The Treasurer provided a reply. It was not an answer. He was effectively looking for the minister. He said the minister had a great deal of clout at the cabinet table. We are waiting to see from the minister's announcement this week just how much clout he does have.

These are tough times for agriculture. I will quote a little more. Hugh Zimmer, another highly respected farm writer, stated today, "...we have Premier Bob Rae dodging the issue of giving extra aid to income-strapped farmers. So there's no help for farmers, but he finds millions of dollars for civil servant pay increases."

For the record, Ottawa gave Queen's Park a rebate on Ontario's share of the 1991 gross revenue insurance plan contributions. So what did our NDP government do? They pocketed the money rather than adequately funding the net income stabilization account, NISA, which should go hand in hand with the GRIP program. The Minister of Agriculture and Food knows that. I just wonder how many people who sit with him on those benches know that.

Farmers are not crying wolf for nothing. The Ontario Farm Debt Review Board case load will likely increase by 33% this year and we have already had a large number of farmers in financial trouble having to go to the board to attempt to negotiate some sort of settlement. We are not looking for across-the-board write-offs; we are simply looking at an opportunity to make financial ends meet.

It is rather sad that the minister did not come to Lucknow several weeks ago. I had the occasion to be there with one of my colleagues and we had one of the minister's parliamentary assistants there, the local member for Huron, and we had the Leader of the Opposition there that night. But 1,000-plus farmers of several generations, people in their mid-50s, expressed the same situation, the same problem. They are just looking over their shoulders and wondering whether they will be able to put in a crop next year.

We are not looking at a sector of the population that is not productive; we are looking at a sector that spends money when it produces and spends money when it has income. They have a ripple effect, a multiplier effect, of about seven within the community they represent.

I had occasion to visit Leamington last Wednesday. We have a desperate situation down there. Those farmers were hit with a double whammy. Not only did we have a major reduction in the price of their commodity, but we had a major drought to compound the problem. Many of these people who contract to some of the tomato processors were not even able to meet 50% of their contract, which

normally would have been easily met and had a surplus. The grain corn was being harvested at about 30 bushels to the acre. In Essex county you can expect an average of 130 bushels to the acre, so what do you do? There it was and they were harvesting it. They had no choice. It is the same thing with the soybean crop and whatever else they are growing.

This is a major catastrophe. Not only will we see farmers go down, but we will see entire communities go down unless this government is prepared to help. It is not like putting money in the hands of other sectors. I speak of many ministries. With other sectors the money does not have the multiplier effect it has, and traditionally has had, in agriculture in rural Ontario. I say to the minister that we must address this very serious situation and it must be addressed shortly.

1510

Farmers at Lucknow said that on October 1, which is tomorrow, they would nail the mailbox shut and let nothing in and nothing out. What does that do for those very proud farm families and to the community at large? It is nothing but very negative. As the Treasurer deliberates and has deliberated, and if he has the power he said he had today, I hope he will be able to come up with an across-the-board package to cover not only the below-depression prices of grain and oilseeds, but also those hit with the double whammy of drought.

I also had occasion to visit the tender fruit-growing area of Niagara. Our peach growers had 40% less tonnage this year and 25% fewer dollars per ton. That is a pretty serious situation. They are not making ends meet, yet we did not see great reductions in the produce they produced to the consuming public. During the summer's very disastrous drought and low crop prices we have had very little recognition, leave alone support, from the government. The government sat back and did very little for the Niagara area farmers as they submitted reports and waited for some help.

Farm leaders united in July to declare a state of emergency in Ontario agriculture, an unprecedented declaration, a state of emergency, something never seen before in Ontario. Conditions now are in many ways worse than they were at any time. I can recall the early 1980s when we had very high interest rates. I personally paid 22% and I am sure many people in this Legislature and our farmers out there paid the 20%-plus interest. However, we had commodity prices that were reasonably good. We were faced with grain corn at \$140 to \$160 a ton. That was reasonable. With a little careful management you were able to manipulate. But now we have a situation where tipping a ton of garbage would cost almost double what you can get for a ton of barley, oats or grain corn. It actually makes no sense at all, yet we have the ministry, in the name of farmers and agriculture, spending big dollars to protect farm land. I agree with protecting farm land, but first of all we have to protect the people who own it and try to make a living from it.

My colleagues and our leader have seen at first hand the major problems facing agriculture. We regularly hear from producers and the message is no different. The mes-

sage is: "We're in trouble. We're prepared to go to Queen's Park. We're prepared to go to Parliament Hill 10,000, 20,000, 30,000 strong if need be, because we've got second-, third-, and fourth-generation farms going down the financial pipe." It is very sad. This is a proud group of individuals and right now they are on their knees, and not because they want to.

Government has followed policies which give more to everyone else, but agriculture is left behind because we do not seem to have many people on the government benches who understand the real problem out there. I go back again to the Treasurer's statement today that the Minister of Agriculture and Food has a great deal of power at the cabinet table. We are watching and the minister should come out with all horses pulling.

The other new announcements have been of national support programs. There has been nothing this government has done for farmers that can be seen as major strictly made-in-Ontario plans for farmers. I live in an area along the Ontario-Quebec border and it is very difficult for me to explain to my grain producers in Lancaster township, in Lochiel township, in Glengarry and Stormont or wherever that their colleagues across the line in Quebec are getting \$180 for every metric ton of corn they sell, and yet we have to settle right now for less than \$100.

We look at the so-called agriculture task force of the Ontario Round Table on Environment and Economy. That is an interesting one. The task force is chaired by a Toronto politician. The NDP originally decided to exclude any farmers from membership on this task force. Then, when they could not support that position any longer, they decided to refuse suggestions from the Ontario farm organizations for nominees.

They have had one public consultation, a \$30-a-head breakfast meeting in downtown Toronto. They visited some Ontario farms, but in two days of visits, do members know what they visited? Each and every farm they visited was a so-called organic farm, right to the parliamentary assistants; I gather they were there. Does that send a signal or a message out to Ontario agriculture? We are waiting for the answer.

North America and even the western world could not be fed from organic farming. The idea may sound really good to some of our consumers. The reality is that it would be very difficult to feed ourselves, let alone provide exports.

They have already prepared their final report. Even though some task force members have not seen it, it is out there. This report calls for higher taxes on inputs in order to finance the government's participation in the NISA program. The ignorance and inhumanity towards farm families shown by the government task force is, for lack of a better word, an insult to rural Ontario and to our farmers.

The government promised at least \$150 million and possibly up to \$300 million for de Havilland. In dealing with depressed crop prices, Ontario farm families have seen about \$124 million. I remind the minister that we have 60,000-plus farm families out there, a lot of people who contribute to the economy and to the communities they live in. They are very proud people. How can the

minister equate the little bit of assistance they are getting compared to some of the ones I have outlined?

Last week in the standing committee on resources development, the honourable minister, who is here today, explained that the federal offer to help with NISA participation came too close to the Treasurer's budget, so Ontario did not participate. It is a rather poor reason, that the Treasurer's schedule has a higher priority than the needs of 60,000-plus farm families across the province.

Ontario is lagging far behind in helping its farm families, yet Ontario is Canada's largest agricultural producing province. Look at the price that eastern Ontario corn producers are receiving as compared to Quebec. That will tell members exactly where this government's priorities are.

Essex county, as I mentioned, had a very major drought problem—I know the minister is listening, I know he was down there—and we even have some of them here today.

Interjection.

Mr Villeneuve: What did the Minister of Transportation say?

Hon Mr Pouliot: Of course he is listening and he is concerned.

Mr Villeneuve: Thank you. I am glad to see that the Minister of Transportation is also concerned, because I know the Minister of Agriculture and Food did meet these people earlier today, and they had an excellent presentation. These are not figures that were pulled out of the air. These are facts and figures from commodity groups and they will hold water, so to speak, in spite of the fact that they were short of water in Essex county this year.

The ethanol industry has to be looked at. I know the minister and I have worked on that and have discussed it many times. Now is the time; the time has never been more opportune. We have had occasion to look at some of the background papers from his ministry and it certainly seems it is coming on to the front burner. Let's not hold it back; let's get it out there. It will provide additional markets for grains. It will clean the environment. It will provide jobs. It is win, win, win.

I will not touch on the disposal of dead animals for long. There is a major problem across Ontario with our livestock producers right now: No one is picking dead animals up. The minister knows that. We have discussed that on numerous occasions. We are still waiting for further direction.

In summation, Ontario's agricultural crisis is being discussed throughout rural Ontario and within the hallowed halls of Queen's Park, and indeed in this very Legislature today. Now is the time for action. Tomorrow will be too late. The line is now drawn in the dirt.

1520

Hon Mr Buchanan: First, let me say that I think it is appropriate that we are discussing agriculture here today. I accept the member's analysis that agriculture is in difficulty and requires some assistance, and the government intends to act upon that.

I do want to inform the member and all members that agriculture is going to be a key sector in this government's

economic renewal strategy. The government members recently had a retreat. We talked about economic renewal, and it is important for everyone to realize that agriculture will be part of that renewal. In fact, in his opening statement last Monday, the Premier discussed the fact that rural communities and agriculture had to be an important component of economic renewal.

A strong provincial economy depends on a very healthy agricultural and rural economy. The production of food is a very basic activity and requires assistance if the marketplace is not going to provide the necessary money for farmers to continue in production.

I believe, in spite of what the member suggests, that the serious difficulties facing farmers are well known, certainly by the members on this side of the House: the low commodity prices, the low yields, the surplus grain stores, the severe drought, the effects of free trade and the fact that government support programs do leave some gaps from time to time. This affects many producers. Even the fruit growers down in the Niagara region, as the member mentioned, have been affected by the cheap fruit that was dumped into Canada. The grains and oilseeds producers, as the members says, are suffering from very low prices. Some of this is being skewed by international trade policies.

I want the member to know, though, that I did tour the province this summer. In fact, I visited over 25 different counties and districts in July, August and September, in all regions of the province, to get a handle on what the situation was in agriculture. I have seen the drought at first hand. I have listened to the plight of farmers and farm families in their homes, in their kitchens and in meetings across the province. My parliamentary assistants have also been touring the province and meeting with farm groups, and have a good handle on what the problems are out there.

I should also note that my colleagues who form the rural caucus are well aware of the situation and certainly have been keeping me informed and promoting within caucus the importance of agriculture for this government.

In light of all that, and having assessed what the difficulties are, I do intend to make an announcement some time this week which will address the pressures and the concerns of agriculture and the rural communities across this province. We will continue to work with farm leaders and organizations in order to put together a package which we hope will address all of the concerns in the farm community.

We realize there is a serious cash-flow problem, and that needs to be addressed. It is not just drought. It is not just grains and oilseeds. It is a severe cash-flow problem that needs to be addressed in the best way possible. There are some payments that are going to be flowing in the near future that have already been announced. Crop insurance is expected to put about \$60 million out to producers across the province. For grains and oilseeds, we managed to negotiate with the federal government to get an interim GRIP payment of about \$93 million. Producers say that is 1992 money and they need some assistance for the 1990-91 crop. I accept that challenge and intend to address that, but I did want to note for everyone that this interim GRIP payment will flow \$93 million this fall.

In terms of a made-in-Ontario program, I would like to point out the farm interest assistance program. We put \$50 million out that has been well received across the province by families who are in serious need.

I want to clear up some misconceptions, however, about Ontario's participation in the NISA program. We are participating in 1992. We want to take advantage of the long-term benefits of NISA for farmers. The NISA program will allow farmers to contribute to the program in good years to cover the bad years. This was intended to be a long-term safety net program. NISA, in my estimation, is not going to solve the short-term cash-flow problems.

The federal government is making an attempt. They modified their program, which I guess is a good gesture, but they gave me 48 hours in which to respond on whether I could be in. I was unable to make that decision in that time frame, and the budget was about two weeks away when the program was modified and put to me. I want everyone to understand that there is a reason we are not in NISA. The only province that is in at this time is Saskatchewan, which had announced it would participate in the program before the federal government modified the program. None of the other provinces is participating.

I do not think it would be fair if the federal government unilaterally decided to use the NISA program as a delivery mechanism for short-term assistance. NISA is not an appropriate third-line defence program. I hope the federal government will flow the funds as quickly as it is promising, but I am not too reassured by what I have seen. The application forms are out now. They are substantial in size and in length; in fact, many farmers are going to have to pay substantial amounts to have the NISA program application filled out. I am not too optimistic that this program will deliver the kind of assistance all of us want.

We have made a commitment to participate next year—we announced that earlier—and will allow farmers to get whatever support the federal government can get out this year.

I welcome this debate and opportunity to set the record straight on what this government has done and what we are willing to do, and announce our commitments and continued concern for agriculture and the rural community. I hope that all parties and political and farm leaders can work together for the good of the people and the economy in agriculture in rural Ontario.

Mr Elston: I was interested in this debate coming today because I wanted to hear from the members of the government party. I am not so much interested, I guess, in what is said on this side of the House, because there have been certain commitments made both by us and the third party with respect to trying to move this issue along.

I am concerned, however, that the Minister of Agriculture and Food has just indicated that he is going to come forward later in this week with something that will address "all of the concerns" that seem to be afflicting the agricultural community at the moment. I am concerned because it leaves some kind of misconception, I think, about how well this government is going to be able to address the things that ail the agricultural community.

I would be the first to say that there are many complex issues over which this minister does not have full and single jurisdiction. However, having said that for him to come into the House and say that he is going to have an announcement which will touch on "all" the concerns seems to me to be leading people to be too much impressed by what they should hear from this minister later in the week. In fact, Mr Speaker, you might have had the Minister of Agriculture and Food saying "a few" of the concerns of the agricultural community, because there are, in fact, far too many for him to manage the way he ought to.

The other thing I wanted to make an observation about was the fact that the minister has made what is probably going to be read as a political statement. When is the minister going to play the part that he plays so well and make a statement that comes clean and clear to the people who are in the agricultural community? He was, I think, first sold to the agricultural community not so much as a politician but as a people person. He has converted himself quite quickly away from what he originally told the people he was, and that was a man of the people.

1530

He has to stop giving these political speeches that are written for him by somebody else, conceived by somebody else—somebody else who shelters him from going face to face into meetings with men and women who are suffering the experiences which he knows about from handwritten reports but not so much close up, on a personal basis.

Interjection.

Mr Elston: The member for Lake Nipigon always likes to interject, because they never let him talk over there. They have hidden him away somewhere. He never has the ability to stand and get the floor because his party has prevented him, in fact "stifled" him, in the words of a TV character popular in my earlier days. I must say that I suspect the member for Lake Nipigon is going through some kind of conniptions right now as he and his buddies cut and slash at some of the programs which he himself must hold dear.

Back to the subject matter: The Minister of Agriculture and Food knows he has to do better. He knows he has to be the person who comes face to face with the men and women in the agricultural communities who can help him shape the policies and the programs that are needed to give them relief. He has to get away from these political speeches, he has to get away from his political handlers and he has to do the groundwork. He has to work at making sure the contacts are real and that he is not spirited away by some of his handlers, the names of whom of course are well known in the communities. Even some of them are well known to me, because I used to run against some of them in other elections.

I would hope that when we have this announcement later in the week he can deal with all of the concerns. I know he cannot. What he has to do is create real expectations of actually performing the tasks he sets for himself. In other words, he has to live within reality and his government's fiscal management and he cannot lead people to believe that

the impossible will be delivered to them at the end of this week. If he can do that and get away from his political handlers, he will have done an amazing amount of good work for the farm communities, because then they know they have somebody with whom they can become a real partner. I have been spending a fair bit of my time in the communities telling them that this minister is that sort of individual, but he has to do it and he got to make up his mind that he will do the work that he himself knows he has to do personally.

Mr J. Wilson: I am very pleased to join the discussion today regarding the farm income crisis in Ontario, and I applaud the efforts by my colleague and leader, the member for Nipissing, for tabling this motion for emergency debate.

This opposition day motion highlights the enormous difficulties faced by farmers in this province with regard to making ends meet. The member for Nipissing's motion also serves to demonstrate both our party's commitment to agriculture and the failure of the NDP government to respond to the current crisis. But most important, the opposition day motion brought forward by the leader of the Ontario PC Party also sheds light on a tremendous tragedy that is currently unfolding. In a nutshell, this tragedy pits the farmers of Ontario against insurmountable odds in the face of an Ontario government that is extremely apathetic.

In August, when I met with Mr John Morrison and Mr Paul Wardlaw of my riding, and more recently with Mr Joe Keresturi and a group of farmers in the riding of Brant-Haldimand, I saw at first hand the human element that is very much a part of this tragedy.

Unfortunately, these honest, hardworking farmers are cast in the role of victims within this tragedy. There was a time when working the land and gathering the harvest was one of the most noble and distinguished professions. We appreciated farmers because they provided something we could not live without, that is, food on our tables. But today, when the farmers need us most, some people, and some people in this Legislature, are prepared to turn their backs on them and let them fend for themselves.

The members in my caucus have not forgotten farmers, and we are not prepared to forsake the invaluable contribution they make to the quality of our lives and to the sustainability of our society.

When I met with Mr Morrison and Mr Wardlaw and the members from Brant-Haldimand, one theme kept being repeated. Their pained looks betrayed the singular sentiment that the dream of the family farm is quickly becoming a nightmare. Farmers who are facing the worst crisis in their history are being hung out to dry by a government that pledged to bring relief to debt-ridden farmers.

Who is to blame? It is not the farmers. Ontario farmers are as efficient and as competitive as any in the world, but Ontario farmers are being asked to compete against other provinces and countries on a playing field that is profoundly tilted against them.

By now every member in this House is aware and should be aware that subsidy levels for Ontario farmers are substantially lower than in other Canadian provinces and in most other developed countries.

Here is a quote from a brief that was submitted to the Ontario Minister of Agriculture and Food. It was submitted by the Ontario Federation of Agriculture, the Ontario Agricultural Commodity Council, the Ontario Corn Producers, the Ontario Soybean Growers' Marketing Board and the Ontario Wheat Producers' Marketing Board: "We can compete against Ontario farmers. We cannot compete against other national and provincial or state treasuries without comparable support from our governments."

The equation is simple for this government. Either it supports Ontario farmers or it does not. Either it responds to the income crisis that has battered our farming community or it does not.

Getting back to my meeting with Mr Morrison and Mr Wardlaw of my riding, their message to me was short, sweet and uncomplicated. They called on the government of Ontario to waive the one-third reduction on 1990-91 payments under the Ontario farm income stabilization program, to provide a 1% contribution to the NISA program for Ontario crop producers for 1990 and for a modification of the floating price option under the 1991 crop insurance program for grain and oilseed producers.

It is unconscionable for this government to expect farmers to function while prices are plummeting and operating costs are escalating.

Quoting further from the brief that was submitted by the Ontario farm organizations to the Minister of Agriculture and Food: "And unless corrective action is taken immediately by governments, many of these farmers will not be around to take advantage of new safety net programs next year, or, alternatively, they will enter 1992 in such a desperate financial condition that the new programs will not prevent their ultimate demise."

My leader, the member for Nipissing, has, with this motion, called on the Ontario government to join the fight to preserve agriculture in this province. With this motion, we are urging the NDP government to assist farmers to help remedy the bitter taste left in their mouths by a litany of government betrayals: betrayals that include the \$124-million shortfall in promised government support for 1990-91; betrayals such as this government's initial reluctance to join NISA and its refusal to participate in NISA this year, and the ultimate betrayal of this government that pledges to support farmers yet falls silent when the need is greatest. That need is right now, as my colleague for sand, dust, gravel and East Grenville so eloquently explained to this Legislature and to members of the government.

The facts are clear. There has been a drought in south-western Ontario. Prices for grain and oilseeds have bottomed out. Operating costs for farmers are continuing to increase, while realized net farm incomes are lagging well below that of 1989 levels. Market receipts from the sale of crops are predicted to drop by over 3%.

NISA will kick in for 1991-92, but nothing is available immediately. This government must begin to rethink its priorities. Ontario cannot exist without a viable and productive agricultural sector. Thousands of jobs and dreams are hanging on this government's decision.

I quote further from the brief by the Ontario farm organizations for the Ontario Minister of Agriculture and Food:

"It is also a question of jobs"—and the NDP government should be particularly interested and attentive to this point—"One job in five in Ontario depends on food and farming. Are governments willing to let these value added jobs go down the drain, as well as the future of Ontario farmers?"

The ball is in the NDP government's court. I say to the Minister of Agriculture and Food that now is the time to send a positive message to the farmers of my riding and all of those ridings in Ontario. Farmers are hurting, I say to the minister, who is not in the House at the moment to hear my remarks. That is unfortunate, because you would think the Minister of Agriculture and Food would be interested in all members' comments dealing with the farm crisis, and it is extremely disappointing that he is not here.

Interjections.

Mr J. Wilson: It is absolutely pathetic. But Mr Speaker—

The Acting Speaker (Mr Farnan): Please take your seat. I think it is customary, and the member should be well aware of this, not to take notice of a member's presence or absence. We all know that all of the members, including ministers, have responsibilities, and sometimes they draw them from the House. Indeed, on another occasion the member may find that he himself has to leave the House, so I think it is advisable, for the orderly running of this assembly, that we obey that tradition and not make reference to the absence of members.

1540

Mr J. Wilson: Thank you, Mr Speaker. I would hope the absence of the member who was referred to is not an indication of this government's interest in agriculture. This is an emergency debate, and every member of the House should be here for something as important. None the less, I am prepared to discuss not members' absences but to stick to the facts in agriculture.

I will wind up by echoing remarks made by my colleague and our critic for Agriculture and Food that now is the time for this government to address the crisis in agriculture, to sit down, sharpen its pencils and make significant announcements, not just the pappy political announcements it is so capable of doing but significant announcements that really and truly help the farming community in our province. Farmers are starving in my riding. This government can go ahead and bail out all kinds of unionized plants, but the people who put food on our tables are the farmers in our communities. They deserve this government's support and they deserve that support now.

Mr Johnson: I am very pleased to hear that the Minister of Agriculture and Food has an announcement forthcoming. Although I am not apprised of the details of the announcement, it makes me feel somewhat better, understanding the serious conditions that are facing the farmers in this province.

I do not support the motion of the leader of the third party. I have heard some discussion of the NISA program. I understand it was brought to the Ontario government at a late time, and I also understand, and I think farmers would certainly understand, that it is not unlike a farmer would

a processor and the processor saying to the farmer, "Sign this blank contract; we'll get to the details later." That is what the federal government did to the government of Ontario, and the members opposite would most assuredly agree that is not the way governments make contracts together.

For that very reason, I cannot support this resolution. I think the minister has made it very clear that he is concerned, and indeed farming is a priority in the province. We still have a Minister of Agriculture and Food, and the minister has been around the province this summer.

We have global conditions that have made farming a very difficult occupation, I guess one might say, but we know too that the climate and the weather have not boded favourably for farmers across the province. There are indeed farmers in my riding of Prince Edward-Lennox-South Hastings who have suffered as a result of the drought of this summer. I was speaking this past Saturday to Elmer McFaul, who runs Town Line Farms in Wellington. He is concerned about the situation the farmers find themselves in. He certainly understands the need to meet the environmental standards required by the province, but he said it has made his farming operation somewhat more difficult. He says in time, and given the opportunity to get fair market value for his produce and given an opportunity for better conditions for growing, he will survive, and that makes me feel good.

Mr David Harrison from Harrison Foods in my riding has been in to my office. He too is concerned, and his operation, because of other reasons, may be downsized.

I understand, and it is clear now, that Cobi Foods is leaving my constituency and that has made it particularly difficult for farmers in my area. Farmers who have had horticultural crops that they would have sold to Cobi Foods unfortunately no longer have a place to sell or a place to have contracts for their produce, and because of this they find they are having difficult times at this time.

Why did Cobi move? Cobi has moved because it has been bought out. At least they have rationalized their organization, because ultimately what they want to make are profits and ultimately what they want to do is operate in a situation that profits them. What they have done is rationalize their operations. To do that and to have to do that has been largely because of global effects, global trade.

Other countries subsidize their farmers. They may not call it directly subsidizing, but nevertheless in some way they have subsidized their farmers. We have global trade to concern ourselves with. We know the value of produce such as grain and oil seeds is down markedly. On April 29, when the Treasurer brought in his budget, we did not know there was going to be a reduction as dramatic as there was in the price of the produce.

Mr Villeneuve: The federal government knew. They offered you money and you took it.

Mr Johnson: The member says the federal government knew. I guess they were keeping it a secret.

Mr Villeneuve: You took the money and said the farmers won't get it.

The Acting Speaker: When he was speaking, the member for S-D-G & East Grenville had the full attention

of the House. It would be appreciated if we could carry on the debate introduced by the member in question. If he would refrain from constant interjections, it would add to the quality of the debate.

Mr Johnson: Thank you, Mr Speaker. It does make it somewhat difficult to concentrate on exactly what one is going to say when one is continually being badgered by the opposition.

Our government inherited the fiscal situation we have to operate in. It was not one of our own making. Given the difficult economic situation the province finds itself in, we have not forgotten the farmers. In fact, we understand that later this week the Minister of Agriculture and Food is going to make an announcement that I expect will be very positive and will help out the farmers in this province.

I must say I cannot support the resolution that was presented by the opposition here today.

Mr Ramsay: It is a great pleasure for me to rise in my place today to enter this debate that has been brought forward by the third party on its opposition day. I am pleased to be able to participate in the debate, which focuses attention on an industry in this province that sadly lacks that focus and attention. I applaud my colleagues in the Progressive Conservative Party for bringing this forward today.

However, I must add the caveat that I am having a little difficulty in serving agriculture today as I am also on the standing committee on resources development, and as a result three weeks ago put forward a resolution in that committee so that we could bring in farmers, people from the land, people from the agrifood industry. That is going on right now, so after my remarks I will be returning to committee room 1 in the Legislative Building, because right now as we speak we have farmers from Kent and Essex counties speaking before the resources development committee for the people at home. It is comprised of representatives in this House from all three parties, as we are very concerned about the agricultural situation in Ontario today. I will be getting back to that in a minute.

I must make a comment in regard to the comments made by the previous speaker, the member for Prince Edward-Lennox-South Hastings. It seems to me that when a member of this House stands up and starts to bemoan the loss of food-processing jobs and says these companies are only there for profit, we have a bit of the germ of the problem here. Unfortunately many members on the government side do not quite understand how business operates. If we cannot make the agrifood industry and the agrifood producers and processors in Ontario profitable, they will be steamrollered over by the companies in the rest of the world. With the new free-trading blocs that are forming around the world, we will be steamrollered by cheap food coming into Ontario. It is imperative the government work with both the processors and the producers to make sure we can produce food in this jurisdiction of Ontario as efficiently as possible.

What is happening is that our traditional agricultural base is being challenged today in Ontario. As I am sure many members of this House realize, Ontario, being ex-

tremely well blessed with soil and weather conditions and incredibly efficient producers and great research and development in the agrifood industry, produces over 200 different commodities. Just to give a comparison for people who are not as familiar with the agrifood industry as many in this House are, the state of Michigan, which shares the same latitude as us and is a neighbour of Ontario, only produces 80 different commodities. Ontario is a world leader in agricultural production. It is an absolutely incredible jurisdiction for agriculture.

1550

But as other jurisdictions are being allowed free access into the markets of Ontario, driven by our consumers who want products year-round on their grocery shelves, what is happening and what we are finding is that the traditional base of 200 commodities is being challenged. I think what is going to happen in the future of Ontario agriculture is we probably will not be producing 200 different commodities in Ontario. We will probably find we are not as highly competitive as some jurisdictions in all the commodities we produce, so sadly, we will probably see a restructuring, a rationalizing of Ontario agriculture. But we will be pursuing and continuing to grow and process those commodities that we do well, that we can do the very best in the world. We can do that.

As an example, what we are probably going to see is that it might be tough for Ontario to compete with California, let's say, to produce tomato solids. Having the Mediterranean-type climate that California has, it is probably the best place in the world to grow tomatoes, so articles such as ketchup and paste and the concentrated forms of tomato products may not continue to be grown here as much as they have been in the past. But because of the challenges of transportation, I am sure we will have a very viable tomato juice industry in Ontario, as it would make sense to be grow tomatoes in Ontario to produce products in 48-ounce cans for Ontario and the rest of Canada. This rationalization does not mean we are going to be denied a fair share of agricultural production in the world. In fact, we will be changing the direction of some of the products we produce.

The question here today, though, somehow posed at this government, and to be fair at all governments in the history of this province and this country is, how does government assist this particular industry? The question may be addressed and may be asked, why does government have some sort of special relationship, as we all as Canadians know it does, with agriculture? I think the reason for that is because most of us feel it is imperative that as a sovereign nation we develop, as much as possible, a level of self-sufficiency. It seems to me for a country to be saying it is a freestanding country on its own, it should have the ability, or close to it, to feed itself.

I think this is why government and agriculture have been partners, especially in this country and in countries around the world, and why probably any ag minister today in any country would probably say what this ag minister today is saying. The agrifood industry is absolutely vital to the citizens of every country in this world and even though

we have freer trading in the world, it is imperative that we have a base of self-sufficiency of food production in Ontario.

Yes, we can have freer trade and maybe some commodities might some day be fully supplied from outside of Ontario. I would not like to see that situation develop. For all the different political upheavals we see around the world, we would be putting our food supply at threat. Maybe more important, for environmental reasons, we would not want to put our eggs in one basket. We would not want to say that the American Midwest, which has the capacity to grow cereal grains for this country and its own country, the United States, should be doing that, because what if they have a tremendous drought in the breadbasket in those midwestern states of the United States? What happens to our food supply?

Environmentally we should make sure we can produce as much food as we can, and so it becomes a government question. The business of agriculture becomes a question for the state, unlike any other business government is involved in, and so year after year we start to wrestle with this. We as people elected in a democracy start to wrestle with the concerns of the whole agrifood industry. Up till now what we have come up with are only short-term solutions. We tend to be reacting—of course, speaking as the ex-Minister of Agriculture and Food, I include myself in the very same position—to the demands of the agrifood industry on a crisis basis. Therefore, we tend to react on an ad hoc basis.

What I am proposing is that for today we have to continue to do that. I would like in my heart of hearts to see, and I will certainly help the minister of agriculture today, work on some long-term programs. I think farm financing is essential. We need to be working on that. I have some ideas I wanted to work on that I would like to share, but today we are talking about a cash shortage. We will have to try to find a means to inject some cash into this industry so that this industry can continue and be strong in the future.

Mr McLean: I am pleased to rise today and speak on this opposition day resolution in this House emergency debate with regard to agriculture. I think the timing is right. The problem farmers are facing is there and I believe the debate today will be most stimulating in this House. We all know the problem farmers are facing, especially the grain and oil seed farmers. Grain and oil seed prices are running at about 30% below what they were in the Dirty Thirties, so to speak.

The current crisis in agriculture is not because Ontario farmers are inefficient or unproductive. There are not large surpluses of the products produced on Ontario's farms. Subsidy levels for Ontario farmers are remarkably lower than in other Canadian provinces and far lower than in most other developed countries. Ontario's farmers can compete against other farmers, but they cannot compete against other national and provincial state treasuries without comparable support from their own government.

New safety-net programs, such as the gross revenue insurance program and the net income stabilization account, will offer the expectation of reasonable income support in the future for grain and oil seed producers. But this

is little comfort to the large numbers of farm families facing a desperate situation in 1991, because they are confronted with the inability to protect themselves from creditors who are expecting near-term payment for their cropping expenses.

But the major flaw with GRIP and NISA is that payouts for the 1991 and 1992 crop years will not be forthcoming until late winter or early spring of next year, and it will probably end up being late spring of next year. How are many farm families going to survive over the next 7 or 8 or 10 months? It will be very difficult. The answer lies in special payments for the current period. This calls for an immediate response from the Ontario government. This Wednesday the minister will probably announce a piddling little announcement of about \$20 million, which will not be effective for anyone.

It is interesting to note that \$576 million is the total budget for the Ministry of Agriculture and Food in one year, a 3.2% increase over last year. It is interesting to note that the almost 6% given to the civil servants' increase in pay salary was approximately \$512 million. Would it not probably have made common sense to have given them 3% and the farmers the 3% extra? That would have amounted to some \$200 million. Obviously the Minister of Agriculture and Food has not got a strong voice around that cabinet table or the farmers of this province would have had a lot more money in their pockets to survive.

The current NDP government rode to power on the backs of Ontario's farmers and is now ignoring their desperate situation. This government has to face up to the fact that a growing percentage of Ontario's farmers live in financially strained circumstances. This government must realize that poverty is just as much a rural issue as it is an urban issue. Farmers may not be unemployed but no matter how long and hard they work, they just cannot make ends meet. They are falling deeper into debt and they are quickly losing hope. Suicide has taken place in many counties of this province because of the desperate situation.

The NDP agriculture policy is neither kind nor just to our farmers. This government does not treat the farm community fairly, as it does the rest of society. It is the responsibility of this government to make sure we have productivity and fair distribution. It must allocate special GRIP and NISA payments now that will assist farmers in surviving their current economic difficulties. We are saying we had better sit up and take notice. The way the minister has travelled across this province, I am sure he knows what the problems are, but does he have the power around the cabinet table to get those funds for the province?

1600

How can the minister really stop and support around that cabinet table a 6% increase for the civil servants in this province, amounting to more than \$512 million, when his total budget for the Ministry of Agriculture and Food is about \$576 million? Why could he not get more money into the agricultural budget? When we look at the announcement he is going to make this week, it had better be equal to some 3% or more of his total budget or the farmers in Ontario will be in desperate need.

The member for Prince Edward-Lennox-South Hastings does not support this resolution. I find that absurd because this resolution wants to do something for our agricultural industry, and it will, if the minister will just listen.

Mr O'Connor: I am pleased today to be speaking on this motion, not in favour of the motion, but on the motion itself, because I think that as members of this Legislature we have to recognize that, yes, the farmers of the province have problems right now. I am glad we have this opportunity to speak about it publicly, because it is very important.

There are a lot of things that are of concern to our farmers, in fact just on these programs alone. I am sure the minister will be addressing them quite soon, at the appropriate time and in the right fashion, but last week I had an opportunity to meet with the Durham Federation of Agriculture, which had many concerns. Just to give an example of some of the farmers who were there, there were pork producers, some cattlemen, some dairy producers and some cash croppers, sometimes referred to as cashless croppers in these tight times—because times are tight.

The more than 60,000 families in the province right now that are farmers add an enormous amount to the Ontario economy; I think it is in the order of \$17 billion. But we have to make sure we take a look at all the issues and do not try to go too ad hoc in taking a look at some of the problems. I know some things need to be looked at, but if farming is to continue, we have to make sure we continue in a fashion that is going to make sure it continues as a viable industry.

One of the members here in the House mentioned the fact that we seem to be taking care of just the unions and the Canadian Auto Workers, for example. I would like to tell members that I am a Canadian auto worker. I worked in Oshawa in the assembly plant there. In the car pool that I took down to Oshawa there were some farmers. The reason they were working in Oshawa was that they could not quite make enough farming, so what they had to do was subsidize their farming activities by working in the plant in Oshawa. When we take a look at some of these people who work in these unionized plants, some of those people are farmers, so we have to make sure we take a look at all of them.

They did not want to be full-time workers in an assembly plant; they wanted to be farmers. That is what their heritage was and their traditions were and they want to continue. They do not want to have to try to discourage their families from being farmers, but unfortunately times are very tough and they have to take a look at alternatives.

One of the concerns the people at the Durham federation brought up last week was of course the state of emergency facing agriculture right now. Debate is taking place right now down below us in this Legislative Building on that. But they had other concerns, like the use of ethanol for the future as a clean way of producing fuel.

They were concerned about some of the local issues, like the wolf and coyote bounties and the problem of losing crops and things of that nature. They were concerned of course with tax rebates and wealth tax and a number of other concerns, so we have to talk with these people. The

Fair Tax Commission will take their consideration as part of it.

They were concerned about farm day care, and they were concerned for a number of different reasons; one was just what we are debating today, that both parents on a farm have to work. They are also concerned about farm safety. For too many years the children were left in conditions that were not necessarily safe. Where else in this province do we have an industry that allows children to be part of it? They are working at trying to solve some of that. They are trying to create an atmosphere that will be safe for day care for farmers.

They are concerned about the environmental bill of rights and how that will affect them. It is something where they wanted to have their concerns heard. There are two members from the Ontario federation who are part of the advisory committee to the Ministry of the Environment, and I am pleased to hear that. These people are concerned about it too.

They are also concerned, as part of my region within the GTA, about the garbage crisis that we have, and the garbage dump. They are concerned that the previous government was taking a look at greenfield landfill sites. They are very pleased with the process as it is being established right now, with the Interim Waste Authority taking a look at trying to come up with something that is more open and trying to come up with a solution for the waste problem we have.

We have to make sure we hear all their concerns and do not stress just a few of them. We have to make sure we listen to all of them.

As a member of this caucus, we have a rural advisory committee, and speaking to the Minister of Agriculture and Food at Honey Harbour, as many of us from rural ridings did, we told him we wanted to make sure we had more say, because the rural communities play an important, vital part in the Ontario economy. I was pleased with the comments by the Premier there a week ago that when we start looking at economic renewal, the rural communities are going to play an active part in that, because that is very important. It is key.

We have a very strong rural advisory committee. In fact, the chair of our committee, who is the parliamentary assistant to the Minister of Agriculture and Food, comes from the Port Huron Federation of Agriculture. I think he is very active and in fact might have been the president. I am really pleased by that because it shows that there are farmers in here. Yes, there are auto workers in this place and there are a few social workers, but we all have concerns about the economy of the province as a whole.

Too often we stand in this House and we just shout back and forth. We never listen to each other and have real genuine concern for each other. I think if we have productive conversation, talk to one another and at times even listen, we can have a lot more productive debate, the needs of the people of Ontario and of the farm people will be taken care of, and due consideration will be the reward for all of us in this Legislature.

Mr Cleary: This province's agrifood and related industry generates \$17 billion in economic activity while

creating 1 in 10 jobs. Over 200 different food products are farmed on 14 million acres of land, and the industry is the second biggest employer in Ontario. Despite the significance and necessity of the agrifood industry, urban consumers remain unaware of the problems facing farmers, such as why so little of what people pay for food actually goes to the farm.

I was pleased to be at the kickoff in the classroom at the Ontario Agricultural Museum this morning in Milton, where we had many teachers and many from the agricultural groups in attendance. There was a lot of enthusiasm there this morning.

Farmers are facing incredible economic stress. I met with farmers from across this province to discuss the current stress farmers are attempting to survive in 1991: drought as a culmination of four previous years of climatic hardship; declining prices for grain, oilseed, corn, soybeans and wheat, and a declining tender fruit industry. We must promote Ontario fruit and vegetables.

Some of the farmers I met with were concerned about the new legislation in labour laws that might be coming from this government. Even livestock prices are beginning to fall. The drought has seared much of the southwest crop and has even caused much damage in parts of eastern Ontario.

1610

One thing I would like to touch on is beaver control. It is a very serious problem in this province. There used to be a good program in the Ministry of Natural Resources where they would hire unemployed people or people on social assistance through the conservation authorities and they would control the beaver. I think that was a good program and there was really value for the money. It may not be a problem all over Ontario, but in parts of eastern Ontario it is a really big problem.

Finally, while cash cropping is important in eastern Ontario, there are a lot of diversifications into dairy, beef, hog and feather farming, all industries which have their own problems. In particular, I cite the difficulties with the recent closure of some of the pet food and rendering plants in Ontario, and that is not just in eastern Ontario. The farmers have done their part; they have made a presentation to the ministry. I hope we do not step back many generations and I hope that will be addressed shortly. Aside from the physical limitations of effective disposal of the dead carcasses, farmers cannot afford to pay long-distance haulage.

Farmers also face an extra burden of cross-border shopping. Consumers, largely unaware of the impact of a bargain, abandon Ontario agriculture, particularly in poultry and dairy products. The mayors of many communities had a task force about this serious problem, which causes problems in the agricultural community, and they feel they may be getting the runaround.

Interestingly enough, however, the business council conducted a study of grocery prices on each side of the border. A typical basket that would cost in Ontario between \$94.41 and \$101 in New York state tallied at \$93.50, plus exchange and duty.

However, it is not only the customers who are there looking for bargains in the United States. Shopping could

significantly reduce the input costs of the farming community, the biggest price differences being largely in oil, grease and fuels. One 700 acre farm operator indicated that if he were to buy in the United States, he could save \$10,000 a year.

I have heard a lot about the potential collapse of the Ontario farm economy and the failure of the government to realize the situation. For that reason, my colleagues in the Tory caucus pushed very strongly for an emergency discussion of the current state of the economy facing our rural communities.

While I am disappointed over the delay in initiating the hearings, I feel this is a good first step. The minister and the members of the resources development committee have already heard from the agricultural commodity groups, the Canadian Bankers Association, the Ontario Milk Marketing Board, the Christian Farmers Federation of Ontario and the National Farmers Union. There is no mistake there is a crisis facing the farmers. This afternoon the cattlemen and the wheat producers and the soybean growers are present.

The Ontario agriculture commodity council represents some 50,000 Ontario farmers. Thousands of these farmers are being faced this year with the worst economic conditions in memory. This is particularly true for grain and oil seeds. The situation is labelled as a crisis in Ontario among farm groups in both the financial and the social agony. Ontario grain and oil seed prices have fallen during 1991 from values some 30% lower than usual.

Farmers say: "We can compete against other farmers. We cannot compete against other nations and provincial or state treasuries without comparable support programs from our government." The new growth revenue insurance plan, named GRIP, and the net income stabilization account, will not be fully operational for grain and oil seeds until the next crop season. There is no plan to introduce GRIP for horticultural produce. This is of little comfort to a large number of Ontario families facing a desperate income situation in 1991 and an inability to protect themselves from creditors. While the comprehensive GRIP and NISA programs may be considered a long-term solution, this program will not be provided until late winter or next spring.

Cash-strapped farmers cannot afford to wait for several months. It is with great interest that I read the minister's comments in the September 23 Windsor Star, "I want to signal today that we are very serious about supporting farmers." I think the minister made those same comments today. I know it is a federal-provincial problem, but as long as we use Ontario farmers the same as we use every other group in Ontario, I think everyone will be satisfied.

I believe the Minister of Agriculture and Food said, "All we can do is find some money to try to flow as quickly as possible." Many farmers stated that their income would be actually increased if they were to shut down their operation and collect social assistance. It frightens me to think of the tremendous level of personal and financial stress the farmers in this province are currently enduring. The crisis is plainly there. It is the duty of the Ontario Minister of Agriculture and Food to assist the farmers in the province in this very hour of need.

Mr Jordan: It is certainly a pleasure this afternoon to have the opportunity to speak to our leader's motion. He has certainly from the time of the election over a year ago been very supportive of the farm community, which was especially interesting to me as the representative for the riding of Lanark-Renfrew.

As members know, the riding is made up of many small and mixed farming types. Early in my career last year, as the member for Lanark-Renfrew I had the pleasure to have the Minister of Agriculture and Food visit our riding, of which I was very appreciative and so were the many farm groups who were in attendance. In order to be as educational and as helpful as we could to the minister, I had them organized in such a way that rather than have different ones actually repeating themselves with presentations, I had each group get together and make one person responsible for that group and make the presentation available to the minister.

Hon Mr Buchanan: It was well done.

Mr Jordan: I thank the minister. The follow-up on that is my problem. The minister, I believe, was given copies of the presentations and certainly promised to look into each and every one of them. I know that I cannot single out Lanark-Renfrew as being separate from the province of Ontario, but the nature of our farming operation is certainly the small family farm. It gives me great concern that even though there was great interest shown by the minister and by his government, and assistance promised, to date we have seen no change.

I can say to the minister today that if he were visiting one of those farms, he would find they are facing their tax bill, are facing winter with an increase in hydro and with an increase in many other items, fuel and so on, that directly affect their operation. They do not have alternate means of transportation. They have their half-ton truck or their car to come to town. All these costs are finally bringing down the small family farm.

1620

I think the previous speakers have generally covered the provincial financial problems of the farm. That is why this afternoon I would more or less like to concentrate on that small family farm, because from it are the small general store and many other spinoff businesses in my riding. I would like to mention in particular a provincial law that the minister, I understand, is going to bring in in January 1992. This provincial law is going to require that all eggs sold at the marketplace will require a federal grade. Those eggs will not even be allowed to be placed in a used container. They must each time be placed in a new container. The container alone costs 12 cents. The reasoning behind implementing this provincial law to that standard at this time is of real concern to many of the family farms in my riding.

Many of the farmers, along with their beef operations, have perhaps 400 to 500 hens, which can create enough income to perhaps pay the taxes and the heat. This is going to be a real blow to them, not only to the farmer who is accustomed to that cash income but to the small merchant at the general store and the tourist trade in that area. They

are saying they are doing it in the interests of safety to the consumer, but if you think about it for a minute, it is really one of the few products that we get already wrapped. Here we are worrying about whether it is going to be placed in a new container and whether it is going to meet a federal standard before it can be sold to the general store.

I would plead with the minister to rescind his plan to implement that provincial law in January 1992. I do not see the need for it. Certainly in the areas I have visited in Lanark-Renfrew, there has been no problem in any health or safety respect. Perhaps some clarification of the need for bringing that law in at this time would help at least to explain the situation to those farmers who are in such need.

As the members can see from the different presentations this afternoon, the real problem is not the efficiency of the farm. It is not the type of operation. It is the subsidies and some of these regulations that the ministries of agriculture are requiring of the product.

Again, I would ask that the minister try and keep that small family farm in mind when he comes forth with regulations that are going to limit its cash flow. It could be—and not too far in our area—that the production of food would actually not take place, because I know from experience in visiting the actual farm locations that there is no other group anywhere, unionized or not unionized, that would ever be satisfied with the net income the farmers in Lanark-Renfrew have been getting along with, and are prepared to carry on with, if they can expect some protection from this government.

The larger farmers certainly are having a greater debt problem and are expecting the Minister of Agriculture and Food to follow through with the plans he gave when he visited our riding about a year ago. At that time the minister had a group travelling the province which was interviewing the different farm groups, interviewing the different farm businesses and had hoped, within a reasonable period of time, to come back with legislation that would be suitable to sustain and support farm income.

I do not want to take any more time. I want to close with bringing the problem in my riding to the minister's attention. I can say in all honesty that the people, when he visited, had good faith in his promises. They are still hoping that before the end of this year the assistance required will be forthcoming. The regulations such as closing down the farmer's market or regulating it to such an extent that he cannot afford to spend \$60,000 on an egg-grading station to meet a federal grade—the minister does have that opportunity. It is my understanding it is a provincial law and I do not see the need for him to be implementing it at this time.

Mr Klopp: I would like to stand and talk about this business of agriculture. It gives me great pride, as a farmer from Huron county, and as one who has been on all sides, I guess, of this issue.

I remember back in about 1979 when the Huron County Federation of Agriculture asked me to get involved in the politics of agriculture, and I said: "Oh no, we do not have to worry about that. We just have to worry about production. I will be a smarter manager, and I will learn

how to play the Chicago Board of Trade," and a few of those farmers looked at me.

I remember when I was in one of the local establishments and was telling one of my younger farmer friends to go to school and learn all the economics, "We will just work harder and we will have bigger farms and we will get rid of all our neighbours." Of course, I figured my neighbour would stay, because he was the guy I was talking to. One farmer leaned over and said, "In all the years I have been farming, I have never seen a pencil yet put a crop in or take it off." I remembered that, because you can do your economics and you can learn a lot about production, but you have to also learn how to market the product.

I also soon found out you have to watch the politicians. I found out over the years that politicians would do a lot of smokescreening and tell me they were my friends, but I kept looking for my background as a bit of an economist, and saying I want to see numbers and I want to see facts and figures. They said they were my friends, but I can say with friends like that, who needs enemies?

In fact, the thing that really bothered me the most about this motion today was not that we were finally discovering that agriculture is important in this province—I have been saying it for years and many other people have—but the fact that the third party seems to insinuate that the NDP knows nothing about agriculture and cares nothing about agriculture, which I find to be totally ridiculous.

I think if there is any mistake I have made so far as a member of Parliament—and we have only been here about a year—it is the fact that I did underestimate the federal government's and the past government's entrenchment of trying to put farmers as second fiddlers.

I can think back very clearly when the Minister of Agriculture and Food went to the first meeting he went to last fall and was told third line of defence or any shortfalls would be taken up by the federal government. They would make it up, just gross revenue insurance plan and net income stabilization account, etc, "We worry about the future; the feds will take care of the past."

I guess I should have known far more clearly because of 1989 or 1979 and in many other years when they said, "We're going to take care of the high interest rate policy; we'll help you out," and then they threw a line to us. Of course, I was 10 feet out in the water and they threw the line out four feet and said, "Well, we threw it out."

The fact of the matter is that NISA, under the federal program in which they put all their third line of defence money, is apparently only going to be \$30 million or \$40 million, which is totally ridiculous. They did a nice job of smokescreening it. They tied it to us and said that if we put in 1%, they would put in 0.5%. The reality is that it is not enough money. They made a commitment that they were going to give what the difference was between the low commodity prices and—they were hoping probably they would go to \$4 and heaven forbid, so did I, but it did not happen.

This thing does go back many years, and the sad fact is that it has been going for a long time. We have also had some bright spots in agriculture. We have had the odd Minister of Agriculture and Food who truly did have to

pound his fist on the desk in the cabinet room because he was the only person there—or maybe a few of his colleagues in the caucus—who really understood that when farmers do make a living it helps the whole community.

1630

I was glad to hear one member mention the family farm and the smaller family farm, something with which I totally agree. What small is, heaven knows, but at least it is getting away from this idea that the corporations will take it over. Indeed they will: That is where it has come to rest, and we have finally realized this in such a blunt fashion.

The fact is, agriculture has got the few the things it has not because of government but in spite of government. I can think back to the 1980s and the fact that the Economic Council of Canada actually hired agricultural economists who already had a predetermined conclusion that things like supply management should go, when that is one of the few bright spots we have ever had. In fact, we should increase it more to somehow give farmers the power to make a farm-gate price, which is truly what we need. We do not need safety nets; we need planks. We need a time when, if I do a decent day's work, if I am a good business person and do a good job in the field, I can get my just return, just as this government has done for years, standing behind people in unions and non-unions. It actually stood behind federal and provincial ministers who have stood for things that have tried to put farmers in that light.

Back in 1969-70, the economists, the academics, were hired; there was a federal task force on agriculture, because there was a problem in the 1960s with farmers' income. Do members know what those people said? Those people told the federal government—and it is still their policy today—that the problem in agriculture is that there are too many farmers; we have to get them more efficient and bigger. As sure as guns, I always said, how few do we get? Do we get down to 10,000? Right now we are looking at about 30% of the farmers in deep financial trouble. Now everybody recognizes that when a farmer goes broke so does rural Ontario, and I applaud that. We have to work to get that straightened up.

There have been two types of people in the federal and provincial governments over the years, the economists who are only worried about their economic values, then those who think there are bigger things than just economies of scale: the whole idea of the spinoff effects of what agriculture does, what small business does.

Our party has had no problem with that. We have recognized that for years. This has been shown in federal programs, showing that this government actually puts itself into action. One of the first things the federal Tories did back in 1986 was set up the rural transition program. They openly admitted: "Let's get rid of the farmers. Let's not help them with their commodity prices, because everybody has to eat. Let's not look at the issue in the middle, the people there. Their profits seems to be going up, yet the farmers are going down and the consumers are not benefiting."

The shortfall in payouts: As an example, just today a fellow came into the office of the member for Prince Edward-Lennox-South Hastings and said that last year the

federal government gave \$15 million to the horticulture sector. They were told they could spend it any way they wanted, basically. They worked with the provincial people and put the money out to the farmers. This year, under this great third line of defence, they said there is \$6 million for the horticulture sector. The horticulture sector figured there is \$70 million of hurt. Granted, no government has an open-ended book, but \$6 million is far from \$70 million. In fact, the money—I am going to have to report back on this to this gentleman; I think the member for Prince Edward-Lennox-South Hastings has already—was not given to the provincial government and the vegetable people to just dole out as they pleased. They were told, “You can’t just give it out so much per acre” or whatever. They were told to make it into different things. This particular farmer said their part of this horticulture money is actually going into research and development. Research and development is very important, but the farmers now need money in their hands. These are the kinds of things that frustrate me very much and I think frustrate a lot of farmers. Of course, he came and talked to us, and it is a federal issue.

We look at farm credit and wonder about their farm debt review board panels. A farmer the other day came to me and asked if I knew the federal government had a program to help farmers write down their debt. It was called schedule B, the Principles Governing the Participants of the Farm Credit Corp in Farm Debt Review. But this was never passed out any more than an order in council, I understand. It made me wonder, as I thought over the last eight or nine years, how some farmers could get a decent write-down and yet other farmers—in the short time we have been here, in this last year and a half, we have spent many hours fighting not only with the Farm Credit Corp but banks, trying to stand beside farmers. Those section Cs, the wonderful things that helped the bank out, which our previous government and a whole bunch of lawyers and accountants set up, but it really did not help the farmer: We are working on those and trying to get them cleaned up finally.

I often wondered why some farmers could get better deals. Maybe the federal government just wanted certain people to know about this order in council. If you are there for all the farmers, do not just put things in for a few. We will see what happens with that issue.

This government knows very well the situation and how bad it is, although it is an issue that has been going on far too long. We need to deal with the long-term issues; we need to deal with the short term. The member is very right.

One of the things we have done as NDP governments in other provinces is put in things like decent long-term interest rate programs. We helped not only with that but tried to find ways to give the farmers a fair shake if debt review were to take place.

One program is called the Execution Act. In the west, they increased that to give the farmers a little more clout if the situation warranted. In our province, we have not made any changes to it since 1930, I believe. They have amended a few things, but they have not helped.

These things are all needed in order to make a fair and level playing table. Indeed, one example which we all

know—I will be very short—is the Canagrex issue. The federal Tories did everything to defeat that. There were mixed emotions in their party between big business and those in the rural area. The Liberals also had that. Mr Whelan, indeed, was fighting his own cabinet ministers, which he openly admits, and ironically some of those same people who were in that Liberal bureaucracy went on to be advisers for the Tory party after it was elected. Is it any wonder one of the first things that government did was get rid of Canagrex, one of the few things that might have started giving farmers a chance to get a fair market value at the farm gate? Allow me to go broke if I am a lousy farmer, not because of lousy politicians.

A few members talked about out west where they have better programs and seem to have a little more clout with agriculture. I sit with some amusement, and I am sure Tommy Douglas must be sitting up there also—well, he is probably crying because he has seen things with the divine solution. He must be saying, “We do it to ourselves again.”

The situation shows that many of those programs were started by NDP governments. Many in Alberta and a few places said: “How do we get re-elected? We had better follow those programs or, by God, they’ll put those New Democrats in.” It is not an easy solution. As I pointed out, through the 1960s, 1970s and 1980s, we have had ups and downs. Unfortunately, we are not going to wave a magic wand. I never thought that eight or nine years ago, when I was on the other side as a lobbyist.

I think we can do a lot of things. We are committed to doing a lot of things in this government. As was pointed out earlier, this government realizes that agriculture is indeed an economic kingpin in this province. It was good to see the other night up at Lucknow that the consumer association representative in that area said she was not going to go around like I remember that organization doing in the 1980s, saying that farmers are making too much and we should stop them. She said there that night that she was going to send a different message, that farmers need a fair price, so that is good.

I know some honourable members on the other side of this House are good members and want to make it work, but we definitely do not need this kind of motion because it does not address the problem. Really we are a government that does care. We are going to work at that and we are going to work at it as hard and as fast as possible.

Mr Mancini: I join my colleagues in the Legislature in debating the agriculture motion that has been put forward by the leader of the third party, using one of his and his party’s very important opposition days to discuss an important element of the Ontario economy.

I must disagree with my colleague who just sat down who said that this motion was not necessary or was not important. As a matter of fact, the opposite is true. Agriculture needs to be discussed here in the Legislature today among all parties for a variety of reasons. As a matter of fact, agricultural issues seem to be dominating the early part of this session of this fall’s legislative sitting. Why? Because right now, simultaneously in the standing committee on resources development, agriculture is being discussed, and agricultural organizations and commodity

groups from around Ontario are making presentations to the three parties that represent the public in this Legislature.

Here today we are using a full afternoon session to further discuss agriculture. Earlier on today I know that the minister met with a number of groups, one of them being the Essex county drought committee that is with us this afternoon. Why is agriculture being discussed so often in this legislative session? Why is agriculture being discussed in committee and in the Legislature? Why has the Minister of Agriculture and Food already intimated on a number of occasions that emergency financial relief is being prepared for the farm community of Ontario? For one very obvious reason: High input costs, low commodity prices and the international trade war which continues between the European Community and the United States, with no regard to the effects on other producer nations, has forced agriculture in Ontario to its knees.

1640

We are here to ensure that the agricultural community of this province survives to serve Ontario into the next millennium. That is why we are discussing the problems. That is why the minister of agriculture has been under the gun.

I am sorry to say it was only a few days ago when the leader of the government opened this new session with what I thought to be a very valuable speech. In his speech he cautioned all of us in the Legislature to be careful about what we had to say and to do a lot less finger-pointing. He mentioned he wanted to do a lot less finger-pointing at the government in Ottawa and the business community in general. He wanted a new atmosphere to take over the old and existing atmosphere that seems to pervade the legislative chamber and he wanted it all to work in a more collective fashion.

What did we hear today from the parliamentary assistant to the Minister of Agriculture and Food? Did we hear concrete proposals on what was going to happen as far as Ontario policy is concerned? No, we did not hear that. We heard very little of that, I am sorry to say. We heard a full frontal assault on the government of Canada. Far be it from me to defend the government of Canada. It will defend itself. But what do we make of the lecture the Premier gave us only a few days ago? Is that only for the members of the opposition or is it for the government members too? Whom was that lecture for?

Are we now not allowed to question government ministers and NDP socialist policy because the Premier will get up and say: "You're finger-pointing. You're not helping solve the problem"? Is it only us who have to be restrained, and is it only the NDP socialist members of the Legislature who now have the authority to speak freely in the Legislature? Is it only they who can get up and make comments on what is going on in Canada and here in our province? Is that what we want in the Legislature? I do not think so. If that is what the NDP government thinks it is going to receive, it is sadly mistaken.

Mr Mammoliti: What do you want?

Mr Mancini: The NDP socialist members of the assembly are shouting at me, "What do you want?" I want

the government to give the same respect to agriculture as it did to nurses. I want them to respect agriculture in the same way they respected doctors when they wrestled them to the ceiling for higher fees. I want the government to respect farmers the same way it respected its own civil servants. Why should civil servants in Ontario receive increases in pay of anywhere from 6% to 13%, when our farmers cannot get 50% of their costs back, let alone an increase in pay? Does the member want to know what I want from the government? That is what I want from the government. I want them to be just as concerned for agriculture as they seem to be for all the large, well-financed public interest groups that greased their wheels into office. That is what I want them to do.

Interjections.

The Acting Speaker: Order. Obviously the debate will improve in quality if two things happen. One is if there are fewer interjections, and two, if the member will be somewhat less provocative in his remarks.

Mr Mancini: My comments were not provocative at all.

Mrs Y. O'Neill: Mr Speaker, on a point of order: The clock was continuing to go during your comments, which were taken away from the speaker's comments.

The Acting Speaker: These are 25 precious seconds that should be returned to the member.

Mr Mancini: Mr Speaker, I say to you with great respect that you have been around the Legislature a number of years, and I remember your defence of a certain hospital in your community. If you were to re-read your comments and compare them with the comments I have made today, one might consider that my comments today are very reasoned.

It is true the members opposite made certain promises to highly organized, large, well-financed interest groups that financed them into office and worked for them on the streets. Members know whom I am referring to. I say to the government that we are not going to sit idly by no matter how uncomfortable it makes the members feel. No matter how uncomfortable my colleagues across the floor feel, we are not going to sit by and allow them to spend hundreds of millions of dollars of taxpayers' money and at the same time ignore the economic segment of our economy that is responsible for 20% of the employment in this province.

I say to my colleagues opposite and to the minister that we have been patient and that we are willing to be more patient. We know that right now the minister is gathering information and that his staff is reviewing information for him. We understand he is meeting on a regular basis with farm groups over the high input costs and low commodity prices and the situation affected by the drought. We know he is doing that. We want to give the minister every opportunity to come up with the best assistance package possible.

It has been said today in the Legislature that the minister indeed carries a lot of clout. I say to him I hope he does. I hope he carries a lot of clout and his cabinet colleagues are listening, because if he does not have the clout that was described today and if his cabinet colleagues and caucus members are not behind him, we will see the withering away

of one of the most important economic segments of the Ontario economy. When that happens, small-town rural Ontario will die. There is no doubt about it. If we do not have—

Interjections.

The Acting Speaker: I would like to bring to order the member for Yorkview and also the member for Downsview. The member is out of his seat, I believe. If members wish to contribute in this House, they do so from their seats. I ask you to return to your seat.

1650

Mr Mancini: The interjections we just heard were from members who have not participated in the resources development committee, so they have not been privy to the information that has been made available to members from all sides of the House over the last week or so. They have not had the privilege of hearing that information. They were not with the minister today from about 11:15 until noon to hear from the drought committee. They are very inexperienced members who have had little opportunity to meet farm groups across this province. Sure enough, when they hear that the farm community is in trouble and that rural Ontario may die if we cannot support our farmers, these are strange words to their ears.

They may in fact be comfortable in their own constituencies, but I do not think my friend the member for Essex-Kent, who has worked with me and who has worked with the drought committee, found those words too strong. As a matter of fact, I think he supports those words. He was part of a group, and we worked collectively together, that put together the brief we gave to the minister today. He was part of a group that put together the brief that went before the resources development committee today.

What did that brief say? The brief said in very, very clear terms that because of the drought—we are talking only Essex county now, no other part of the province, and we are not talking about low commodity prices and high input costs; we are only talking about the drought. The factual information that was put forward today shows very clearly that the loss to Essex county farmers over and above what crop insurance will cover will be at least \$20 million. That will be the loss to individual farmers.

There is a multiplier effect of seven that is used in rural communities because of the importance of the farm community in the general economy. Every dollar generated at the farm gate will multiply through the economy by seven. We are using the most minimal figures possible. Multiply \$20 million by seven and see what that does for Essex county, a region of the province that has probably the highest unemployment levels in Canada. Small towns like Essex, Harrow, Amherstburg, Leamington and Belle River have no future without a vibrant farm economy.

I say to the minister and to my colleagues opposite that we want to work with them. We want to help bring the problems facing the farmers to the fore today and over the next few weeks and we are counting on them to respond.

Mr Arnott: I am pleased to participate in the debate this afternoon on Ontario's farm crisis. I would like to begin by commending my friend the member for S-D-G &

East Grenville for his excellent presentation today and his ongoing efforts. I believe he is one of the most eloquent and strongest advocates for farm issues in this House. I appreciate his efforts, and also my leader for sponsoring this today. He reaffirmed his commitment to agriculture as late as last week in Brant-Haldimand when he spoke at length on the farm crisis.

In my own riding of Wellington county, the farm crisis is probably the most crucial issue facing us at the present time. When we talk about the farm economy we are talking about Wellington's economy, without a doubt. When you look at the effect that a strong agricultural base has on the local economy, the spinoffs are considerable: the small businesses that rely on farmers coming in to purchase various goods, the retail stores, the farm implement dealers who rely on a strong farm economy to make their money. Look at the farm suppliers and the time that they have been having at the present time.

Since my election and prior to that, I have met with a great many farmers in my riding. I have met with them on their farms, I have met with them in our own riding office and I have also met with them at some of their organizational meetings. I have been struck by one thing, and that is the modest requests that they make, the always very reasonable requests that they make for assistance.

When you look at the farm prices and you look at the aggregate situation—there were some figures compiled by the Ministry of Agriculture and Food which talk about the cash receipts by source in Ontario for farmers. When you look at 1987 to 1991, cash receipts have remained stagnant; in fact, they have declined slightly. When you flip over and look at gross farm operating expenses, you see from that same period, starting about 1987 to 1991, that they have just taken off to the roof. When you look at those figures, you can understand how farmers are having a very difficult time making ends meet and paying their bills.

You can look at aggregate numbers and they tell you one thing, but if you speak to farmers themselves who are in trouble, it really hits it home. When you speak to them and they ask your own opinion of the future of agriculture and you see the pain and the anguish on their faces when they contemplate the fact that they may be losing their farms, their livelihood—in some cases farms that have been in their families for many, many years—when their hope and pride is beginning to ebb because of their financial circumstance, it is very difficult to have to face that. That is why we have to deal with this issue today.

Farmers need more hope and they need more support from this government. We can talk about the federal government all we want, but this Legislature is where we can deal with certain things and we have to deal with it at this level as well.

Mr Hope: We have needed it since 1981.

Mr Arnott: We are dealing with today at the moment, and we have to deal with it at the moment.

When you look at the family farm in rural Ontario, it is a social institution that has to be preserved, as far as I am concerned. It is an institution that is worth preserving, and

we have to send out that signal at all times. When you look at the requests that farmers are making, they are asking generally for a decent wage for their labour. That is something that everyone asks for and everyone is entitled to. They are looking for a decent standard of living. That is something we should all support. They are looking for a price for their products which is above their cost of production. That is something they need if they want to stay in business. They are looking for some reasonable return on their investments so that they have some security and something for their families in the future.

We need new programs that will give farmers some hope for the future. That is why we are here today.

In closing, I would like to say to the government members that I was very disappointed to hear the member for Huron indicate he would not be supporting this resolution. But if the government members from the urban ridings who are listening today maybe gain some insight into the farm issues, if they will support this resolution, it will assist their Minister of Agriculture and Food when he goes to the cabinet table to seek support for the farmers of Ontario. If they really want to support farmers and support their minister, they will vote for this resolution.

Mr Hayes: I am glad to speak on this resolution and I am really pleased to see how the opposition is paying attention to this very serious issue here.

I would just like to go back a little bit in the history and maybe let the public know how farmers get into some of the situations they are in here today. Previous governments have encouraged farmers for years to be more productive, more efficient, more competitive. At the same time, the friendly banker came in and said, "There's no end to what we can loan you."

Since that time, and this happened back in the late 1970s and the early 1980s, farmers took the advice of governments federally and provincially across this country to do these things: to be more productive, more efficient, more competitive. Interest rates went sky-high. Input costs went sky-high. Prices have continually gone lower.

Some of the things we talk about here are the recession. You hear people talk about the recession we are in, a recession that we have been in for about two years. A lot of people do not realize that farmers have been in this recession for 10 years.

An hon member: Since the last recession.

Mr Hayes: Since the last recession. They have never, ever recovered.

The Minister of Agriculture and Food and the Premier of this province are well aware of the crisis in this province, and in this country for that matter. We are well aware of the drought situation. The minister has travelled this province. I and my colleague the member for Chatham-Kent have been well involved in this.

1700

One of the first things this ministry and this Minister of Agriculture and Food did, just to show members how important we feel agriculture is and the farmers of this province are, was that the first committee that was ever put together was dealing with the agricultural financial situa-

tion in this province, and I was very pleased that the Minister of Agriculture and Food asked me if I would chair that committee, along with the member for Lambton and the member for Frontenac-Addington. We travelled the province. I committed myself to do that tour. I told the minister, "I'll do it on one condition, that I talk to the individual farmers." I think that is very important. Then also we talked to the various associations and commodity groups.

The big thing the farmers were talking about in this province and the message farmers have said to us is that they are sick and tired of ad hoc programs.

I realize we get into these situations. We do get into situations such as the drought, and of course we are in a situation here now that puts us in a position where we do not have any choice but to deal with this in an ad hoc manner.

There are a lot of other factors here besides the bad advice farmers have been given over the years from the so-called experts. A good example, I guess, would be Hunt-Wesson, which is in my riding. When Hunt-Wesson closed, of course, the sad part about that situation is that not only did it lay off workers inside that plant, but there were also 25 farmers who had tomato contracts for three years who ended up with one year, because that company folded up and moved to the United States.

I called up the president of that corporation to try to find out just what this government could do to keep it in operation and try to get it to honour the contract it had with those producers. His answer to me was, "There are three factors here that cause us to leave this province and leave this country: high interest rates, free trade and the inflated Canadian dollar." Farmers are also faced with the unfair competition of the United States and the European Community.

As a result of that tour, getting back to that, when the minister asked me to do that, we came up with the \$50-million interest assistance program. It certainly appears that we will be going well over that. That money will all be spent, plus. But what we have done is that we are right in the middle of the process right now of trying to address prices and trying to address putting programs together to address the interest rates and the long term.

I do not mean this as pointing the finger at the federal government, but there is something that is really needed in this country. There are things this provincial government can do. We will do whatever we can do with the resources we have, but I think it is very imperative that the provinces get together and start looking at the real crisis in agriculture in this country and try to get the federal government on stream to work towards a national agricultural strategy that would definitely assist farmers in this country, along with this province.

I know there is a lot of talk, and I have said it myself: I do not think the farmers in this country are even 3% now of the electorate. I think this has been one of the problems, that the politicians looked at that and said: "It's only 3% of them. We can take care of other people." This has really been a problem. It has been a problem traditionally. This did not just start September 6.

The thing is that one of the messages we have to send, I guess, to all politicians is showing them just how the communities across this province are affected every time a farmer is put out on the road, and there have been lots of them put out on the road. I have talked to bank managers and I have talked to managers of credit unions and it is very serious. I know one county, for example, where one of the credit unions has 120 clients, and if something is not done and if we do not address this problem, and of course we have to do it in partnership with our federal government; we will do what we can do—

Mr Villeneuve: Support the motion.

Mr Hayes: That is what we are doing, supporting it. I think that as far as the motion is concerned, the minister already addressed that problem and we are dealing with an immediate problem right now. To address this particular motion is not going to do anything immediately for the farmers. We have to do something immediately and then look at the long-term situation.

I can tell the members right now that when we talk about the various programs, had this government had more input in these particular programs, especially the GRIP program, it would have seen a much superior program.

I believe there is a message that has to be made loud and clear here, and that is that we have to educate people. We have to educate the public, not only the politicians but the public. I think there is something the minister committed himself to again today when we were in Milton when he got up and supported and kicked off the agriculture-in-the-classroom program. I think it is very important we start doing this. It is very important that the people in this province, in this country, understand what the farmer has to go through to get that food on the shelf.

One of the things they do not understand is the costs they have, the input costs, the interest rates and all those kinds of things, and then of course the prices they get. They have been underpaid for way too long and I think this is something that all three parties here should get together and work towards, not work towards—

Mr Villeneuve: Support the motion.

Mr Hayes: Listen, Ms Speaker, there was a motion that was made on the federal government by—

Mr B. Murdoch: Don't blame the federal government again.

Mr Hayes: I am going to tell the member something. We have to work on support to get farmers a decent price, and that is the big thing. We keep talking about: "Let's have another program. That'll hold the farmer over till next year. Let's have another little program and hold him over for a little while longer." All that is doing is just pushing more farmers out on to the road.

I was at the Canadian National Exhibition and they had a mini-farm down there, with cows and hogs and so on. One of the things they did, and it was very good, was they showed the process about going from the egg to the chicken—

Mr B. Murdoch: Chicken—

An hon member: Atta boy.

Mr Hayes: Yes. He is starting to understand.

They showed the process on how they got that product to the kitchen or to the marketplace. I went to each one of those groups and I suggested to them that what they should be doing, if they plan on doing this next year, is putting in great, big, large signs all the costs the farmer has to absorb to get that food on to their table. That is the message the people in this province, in this country, have to see.

I am in the process right now of chairing the committee looking at the long term, and I appreciate the support and assistance from all members of this House, because our goal is to protect and save the family farm, the family farmer. I think that is very important and we will do the best we can, and the minister has certainly done a lot of work and he has convinced a lot of people in cabinet of the real need that is out there in this agricultural area.

1710

Mrs Fawcett: I am pleased today to participate in this debate on behalf of all of Ontario's farmers and of course in particular my own farmers in Northumberland. But I am rather saddened as well, because it just seems rather sad that we have to debate something that should be happening without the pleading.

The concerns being raised here today echo those from many involved in the agrifood business in Northumberland. Over this past summer, and as recently as this past Friday, I have met with and heard from groups representing the Ontario Federation of Agriculture, vegetable producers, grain and oilseed producers, dairy farmers and chicken producers and they all had the same message: "Please, what can you do to help? How can you help us make it to next year?"

Not in recent memory has the agrifood industry in Ontario been faced with such dramatic pressures that have already forced many of them out of business with more to follow. This threatens to shake the very foundation upon which our agriculture community was built. Should this happen, the ramifications will be felt province-wide, for the agrifood industry is responsible directly or indirectly for one in five jobs in Ontario. That is 20% of the entire workforce in the province. We just cannot overlook those facts. It is sad, whenever I am speaking to farmers, to see the desperate looks on their faces. I do not like seeing the tears in their eyes.

In Northumberland the agrifood industry is a major employer and has played a vital and important role in the local economies of many communities in my riding. That mirrors Ontario in general, where the agricultural industry is second in size only to the auto industry and continues to be the economic foundation for rural Ontario. All members of this House are aware of the plight of the farm families. Ontario producers are facing financial ruin. In a market that is already depressed, prices have fallen an additional 35% for corn, soybeans and wheat. Commodity prices for the livestock industry have been forced down by the linked grain and oilseed prices. Fruit and vegetable growers face continuing pressures from foreign imports under free trade.

Our farm groups are crying out for help. This is not the time to pass the buck to the federal Tory government. We have seen the Tories deal away the family farm in the free trade agreement and continue to bash farmers with the recent Mexico round. The feds have been unable to represent the agrifood industry at the GATT negotiations. Specifically, article XI could spell the death to many in the industry with the downfall of supply management.

But two wrongs never make a right and it is wrong to keep blaming someone else. Let's be leaders in agriculture in this province while we have the chance and show that we want and we need them. The government should flow some dollars to them now and help them so that then it can look at its long-range solutions. But right now we must keep them; otherwise this debate will be useless, because there will be very few left.

Just speaking of supply management, this government's record on supply management is somewhat of a mystery at times. On one hand they espouse the virtues of marketing boards and then just last week the minister okayed orders to the Ontario Chicken Producers' Marketing Board to reduce its prices 12 cents a kilo despite the appeals of the board. The chicken producers in my office on Friday are going to lose between \$5,000 and \$10,000 this year. That really cuts into their quality of life.

Mr Mancini: That was the minister's order?

Mrs Fawcett: Yes, it was the minister's order. Yet when the federal government has been willing to initiate a program to assist the farm community, this government has been unable or unwilling to go to the table for Ontario farm families. This government's inability to provide funding this year for NISA means not only a loss of provincial assistance but also a lower level of federal assistance under the terms of federal enhancements announced to the programs last spring. Immediate funding for NISA would result in over 50% more assistance in this year's payouts. Surely that slush fund must have some dollars somewhere.

This government's answer to the long-term financing has come in the form of the Hayes report, which of course has some very interesting and beneficial parts, but it in some ways really reflects the NDP's feeling for those in the agrifood business. Basically what it says to me is that the NDP government is saying to farmers, "Fund the financing yourselves." This government believes they could find 10,000 retiring farmers or outside investors to enrol in private mortgage schemes to replace the 10,000 farmers previously covered by the Ontario family farm interest rate reduction program.

Let's be realistic. To find retiring farmers or anyone else willing to receive below-market rates in order to allow the funds to be offered out for loans at lower-than-market interest rates will be very difficult, to say the least.

I say to the members opposite, especially those representing rural ridings, they should get the government's attention and make it put something concrete on the table for farmers today. If they do not, Ontario farmers will no longer be able to put food on the table for us, for Ontario families and for themselves.

The government's implementation of GRIP was a start, but it must find some money and fund NISA this year. They have to provide additional assistance under the farm income stabilization program. They should remove the so-called zero years from the crop insurance averages. They must ensure Ontario's farm interests are represented at the GATT negotiations.

This government cannot continue to ignore the plight of the agrifood industry. Their refusal to consult with farm groups on important issues like the new labour legislation and the environmental bill of rights has got to stop. Farmers and their families helped build this province. They want to continue to play a major role in our province's future. Without it, they are destined to failure. We must be there for them in their time of need, as they have always been there for us.

Mr B. Murdoch: I would like to be fair in this whole debate and mention that the farming problem did not start with this government getting elected. I am going to be fair with the honourable members on that, but they have had a whole year since they have been elected. They are the government and it is time they took over and showed some leadership and did something about this.

We have heard from the member for Essex-Kent all the things we have to do, but they are not doing it. Meanwhile, farmers are leaving the farm. I want to tell the honourable members a bit about up in my area in Grey county, right where I live. I can remember when I went to high school and every hundred acres there was a farmer, but now there is lucky to be two or three farmers left in that whole township, because there is no money in farming.

This government wants to talk about agriculture and how it has people running around the country telling the different counties they have to save this farm land for farming. I wonder who this government is going to save it for. If it does not do something pretty soon, there will not be anybody left.

The government threw the deal it had struck to help new farmers out the window. They just let that go. They said, "We can't help new farmers." They are probably right there. If they are going to start helping somebody get into something that is not going to work, that would not look too good either.

1720

I think of the times this government has come up to Grey county with OMAF and said to the planning department, "You can't build houses in that area because it is prime agricultural land." There are trees growing up and there are stones and everything else. Yet I drive home every week up through Heart Lake Road, probably some of the best farm land in Ontario, and there have to be new starts every week, singles. There are even severances. Agriculture and Food over here says: "Oh no, we are not going to allow any of those. We've got to keep this land so that we can keep producing."

I took a drive across from Heart Lake Road and went across the country the other day, and I noticed a corn field, a good crop of corn, yet all through the field there were

roads and all the services they were putting in. Does the minister call that saving farm land? This is good farm land.

I go home and go to the severance committee and we have Agriculture and Food saying, "Oh no, we are objecting to that severance because it is prime agricultural land." They are going to have to get their priorities straight if they are going to do something up there.

We go back to the point that only 3% are farmers. If we look at all the people who derive their living from farming, there is a heck of a lot more than 3%—I think it comes to around 20%—so I do not think this is a debate about votes. They are not that stupid over there. They know there are at least 20% of the voters out there who need farming for a living.

The government's problem again is, how does it solve it? Where does it find the answer? Farmers cannot make a living without the proper price. Grants will not keep people farming. When we have certain areas that have drought and we need assistance, they are going to have to do that. There is no doubt in my mind that they are going to have to help the people of Essex and Kent and places where they have had problems with drought, but grants will not keep farmers farming for ever. They are going to have to come up with a price or they are just going to have to forget about farming in this area.

This is their job. They cannot just keep sticking it on somebody else and saying: "They won't get along with us. The federal government won't help us out." They are big people over there. They are grown up. They have to get on their own feet and start standing up for themselves and come up with the answers. That is what people elected them to do. That is what they tell us.

When they got elected they also told us: "We want to work with everybody. We want to work with the Liberals. We want to work with the Conservatives. We need your ideas." We have come up with an idea today, a real good solution, so I am looking forward to seeing them all vote for this.

When I came to this Legislature I was proud to come here and I was really happy to hear every one of them over there say: "We are going to work with you. We are all going to work together to solve problems." Now we have a problem. We have a solution here that will help. So when the vote comes today I am looking forward to seeing all the members opposite put their hands up and support it, because if they do not, they will have made a mockery of the whole system. They have stood over there for a year now telling us how they want to work together. Here is the chance to do something and try to find solutions for one of our industries that needs help real bad. I will be looking forward to seeing their hands come up in the air when this vote is taken later on.

The other thing I want to emphasize is that grants will not save farmers. Until we start getting a price for our product, we can forget about it.

Mrs Mathysen: I am most anxious to participate in this debate because we have a very serious situation in agriculture. I am very pleased that the members opposite have noticed. Certainly the time has come for fairness,

equity and economic renewal for all of Ontario, and that includes rural Ontario.

Last Saturday I had the pleasure of attending the annual fall fair in Ilderton. Ilderton is a village of about 400 people in the geographic centre of Middlesex county. The fair is a wonderful event that gives my constituents a chance to see old friends, to show people in the community the high quality of Middlesex farm production and to celebrate rural Ontario. The fair attracts about 5,000 people from a wide area around the village. The fair gave me the chance this weekend to set up a booth so that I was better able to talk to and meet with the farmers who make up my constituents. I wanted to hear their concerns and bring them back to Queen's Park.

There has been a wide diversity in Middlesex crop yields this year. Some of the crops have been excellent. The hours of hard work in the spring and summer and fall have resulted in some pretty good crops. Unfortunately that hard work and dedication has been met with poor commodity prices and returns well below the cost of that production. Other areas of Middlesex, primarily an area around Delaware township, have been hit by disastrous drought. There has been no reward for the hard work of these farmers in the Delaware area.

Tragically, for all the farmers, the ultimate results will not be all that different. Neither group will get the returns needed to meet the expenses incurred to put seed back into the ground.

As I previously mentioned, the Ilderton fair availed me of the opportunity to talk to Middlesex farmers and their families. Many of these farmers, whom we all depend on in Ontario for our food, have said they may not be around next spring. They have come to a point where many of them need immediate short-term help so that they will be in the fields next spring producing the safe, high-quality food we have come to expect, producing the food we need in Ontario to have the ability to feed ourselves and determine our own course, our own future. We cannot allow our farm sector to disappear and leave us dependent upon outside suppliers. We in this government understand the seriousness of that possibility and we are determined to avoid that possibility.

The members opposite would try to convince Ontarians that government members are not interested in or concerned about rural Ontario. We on this side know that nothing could be further from the truth. We on this side of the House are committed to rural Ontario, not just in the short term but also to finding solutions in the long term, like fair prices at the farm gate, stable funding so that farmers can plan for the future and a recognition ultimately of the importance of the agricultural sector.

Cabinet and caucus have made rural Ontario and the problems connected with agriculture a priority. There are 23 government MPPs from rural ridings, and we have created the rural advisory committee of caucus from this group of 23 because collectively we can find those solutions to a situation that has ravaged the farm community for 10 years. These were 10 lost years for the men and women of agriculture.

I would like to tell members a little bit about the effect of those years on the people in Middlesex, upon the farm families who depend on me. I met with a group of women, my neighbours, to hear their concerns in connection with how the 10-year struggle had affected their families. I heard about how they and their spouses had to leave the farms to find off-farm work so that they and their families could survive high interest rates and low commodity returns.

They talked about the effects of this economic uncertainty upon family life, the tension it creates for the providers, the uncertainty it creates for the children and the ultimate fear that the desperation could drive farmers into police standoffs or even to suicide, which could affect their neighbours, their friends, perhaps even their own families.

This is the measure of the human suffering that accompanies the economic suffering we are discussing here today. We are all aware that farmers have faced years of low prices, years of high interest rates, and now they face a free trade agreement that attacks the prices the horticultural sector can expect to receive for production.

These voices have to be heard. The time for trying to place blame, as so many in here have indicated, is over. It is long over and it is time to act.

This government has agreed to implement GRIP. It is willing to provide interim GRIP payments of over \$93 million this fall, and the Ontario decision to enter NISA next year will allow producers to access over \$30 million in special federal assistance through NISA this year.

We are listening to our constituents. We have heard them. We have communicated those concerns to caucus, to cabinet, to the Premier and to the Minister of Agriculture and Food, and our government is committed to fairness, equity and economic renewal. We are listening to those people because the economic renewal that we envisage for Ontario has to include the agricultural community.

1730

Mr Conway: I would like to join just briefly the debate led by the member for S-D-G & East Grenville on this matter of the state of the farm economy. I do not think there is anyone here who does not appreciate that the situation is serious and getting more so as each day passes.

I do not profess to understand the intricacies of this debate like some of my friends who are much closer to the agricultural debate than I am, though I can say in my part of eastern Ontario there are several hundreds of people who derive their livelihood in whole or in part from the agricultural sector, and those people have certainly been impressing upon me over the last number of years, quite frankly, that the situation is becoming ever more serious.

From what I can judge, listening to the various reports—and again the farm economy in a place like Renfrew county is obviously not the same as it will be in counties like Kent, Oxford and Essex, some of the more thoroughly agricultural counties in western Ontario—there are some factors that do concern me.

I have listened over the years to a number of governments talk about specific measures that they were going to undertake to alleviate the problems that the farm economy faced from time to time. It seems to me that in the debate

at the present time the fundamental issue is prices. The data that have been advanced this afternoon, I think, make plain that one cannot imagine having any kind of a livelihood with the kind of commodity prices we are talking about, but the answer to that price question is very complicated.

I noticed on the weekend a very large group of farmers protesting in Paris, very upset about what is happening as a result of some aggressive tactics being pursued by some of the European countries with respect to prices. I was watching a public television program out of upper New York state the other day, and dairy farmers in New York state are very concerned about what is or is not happening to their price structure. So we sit in a situation that is not local to Ontario, but certainly is something we are facing nationally and internationally.

What I think the farmers of Renfrew county would want me to touch on this afternoon is one other aspect of this debate, and that is input costs. I was again struck the other day to read an article by Alan Freeman of the parliamentary bureau of the Globe and Mail, which report was contained in the Report on Business in the Globe and Mail of Thursday, September 12, 1991. He is reporting on an analysis prepared for the Canadian International Trade Tribunal which looked at the situation comparing Canadian fruit and vegetable processors vis-à-vis their American competitors. The article works through a very interesting accounting of the input costs on either side of the border.

I am not going to deal with that in any great detail this afternoon because certainly part of that touches on the holiest of holy ground, and that is supply management. I would, as a non-farmer, not be as impolitic as to venture into that area. But there is another aspect of input costs that I think we should be looking at and this report talks about it as well.

I was just asking my friend the member for S-D-G & East Grenville about some of these things. If you are a farmer in Renfrew or in Lanark, Hastings, the united counties of Stormont, Dundas and Glengarry, the kinds of costs you are really going to notice, among others, are what I will call the government-imposed prices: hydro, gasoline taxes and, to some extent, workers' compensation costs.

I know some people over there might think that I have gone completely starkers on this hydro bill, but when I talk to farmers in Renfrew county, as I did just a couple of weeks ago, and I have a dairy producer telling me what his hydro costs are in the here and now and he has read in Farm and Country or the Ottawa Citizen that those costs are going to increase by probably 40% over the course of the next three years, that farmer is absolutely distraught. He or she has nowhere to turn. When we in this Legislature debate energy and environmental policies, I hope we tie that debate and all the wonderful rhetoric that goes with it to the farm gate.

I am going to use Hydro as a very good example. When prices plummet and you cannot sell at any kind of advantage your soybeans or whatever else, and prices, as someone said here earlier today, are in constant dollars less than they were in the Dirty Thirties, and someone tells you that your hydro bill, which is absolutely essential, is going to increase by 15% this year, 13% next year and 17% the

year after, what are you to do? Because you have no escaping. If you are a farmer in north Hastings, ably represented by my friend the Minister of Agriculture and Food, where do you turn? That is a cost that is unavoidable, it is inescapable and it is an essential service.

When someone stands up in this Legislature or somewhere else and says, "Oh well, but that is all in the name of conservation," I say to my friends opposite, what do they say to the farmer, who will be as interested as anyone in conservation, but if he is running a big dairy herd in Renfrew county, is going to be consuming thousands of dollars worth of electrical services, of necessity, over the course of a given year?

Similarly, when farmers in Renfrew county read this budget, and quite frankly when they looked at budgets introduced by my colleagues, but this budget is particularly noteworthy because in this budget we see a 30% increase in the gasoline tax and increases in the taxes that affect diesel fuels. That, my friends, has a direct, immediate, inescapable and burdensome effect on farmers. They have no choice. There is no TTC running around the farms of Eldon township in Victoria county.

If I were a farmer and I heard some of the arguments advanced in the name of supporting some of these policies, I would be enraged, not because I think some of the goals are not laudable—clearly they are—but if you are a rural resident in Kent county and your gasoline tax increases 30% and your hydro rate is going up 40% over three years, my comment and question is simply this: "What am I to do? If I live in Windsor, I have an alternative. If I live in Pembroke, I have an alternative. If I live in Eldon township, I have none. Don't ask me in the name of conservation or in the name of progressivity or in the name of equity to shoulder a disproportionate share of that burden."

I simply say to my friends that not only do all of us in this Legislature have to find a way to do this with NISA or that with GRIP—I do not profess to understand the Byzantine corridors of those federal-provincial agricultural programs, but I expect that learned members of the farm caucuses on all sides will understand them better than I—but we should not lose sight of the fact that there are government-imposed costs that touch very directly on this question. I cite those three: gasoline—diesel as well—workers' compensation costs, and hydroelectric costs that are going to have a great deal to say about any farmer's bottom line.

As I conclude my remarks this afternoon, there is one aspect I guess I would say to the farm community. There is a great deal of old Ontario wrapped up in this debate, and who could be opposed to the family farm and who could be opposed to some of the rhetoric we have heard flowing beautifully here this afternoon? But it seems to me we are going to have to be practical. My grandfather sat here for many years and one of his best friends was a very successful farmer from Glengarry. His name was Jim Sangster. I used to hear my grandfather say—how did the old line go?—Jim Sangster sat in the seat ahead, he heard the budget and he said, "We're broke." I think Jim Sangster's injunction of the mid-1930s may be applicable to the 1990s.

1740

Farmers I know in Renfrew county understand the straitened fiscal circumstances in which this government finds itself. Any government over there would face exactly the same situation. So we are going to be perhaps a little more tough-minded about the way in which we deliver whatever kind of aid will hopefully be forthcoming in the next few days in the name of the executive council.

I had a very unsatisfying debate with my farm leaders a few years ago around that infernal farm tax rebate program. I was the only person in my entire county who seemed to think there was a better way of doing it, and I lost. Some members may not remember this, but it is the OFA debate about the rebate, whether it should apply to working farmers or whether it applied to productive farm land. In my view—I have not changed my view although I lost the battle—I felt we should have moved, as we initially had wanted to move, to make that money, whatever it was—because those moneys then as now are going to be finite—go to the maximum extent to the working farmers.

It offended me quite frankly that my friend the then Attorney General, a gentleman farmer in Wellington county, was getting however many hundreds of dollars through that program. I was told of course that I did not understand, because the program really supposedly dealt with productive farm land, irrespective of who owned it. My concern is that whatever dollars we have, I want them spent to support the working farmers.

Mr Villeneuve: Mr Speaker, I am wrapping up. Would it be customary for me to do it now or wait until the government is done?

The Speaker: There is still some time remaining for the government to participate.

Mr Hansen: Representing the fruit lands of Niagara, there was one thing I said a week ago in the House, "No support, no farmers, no food." The thing is that the two programs, the GRIP program and the NISA program, would not address the problems of the fruit and vegetable growers in Niagara. I take it that my riding takes in actually all these other commodities, corn, wheat and the dairy industry, but if we came out with just this program, then it would leave out one of the most unique areas in Ontario, the fruit lands.

The Minister of Agriculture and Food met with the fruit farmers down there last week. There are some ideas we have been looking at and one is farm easements so that farmers can keep producing in those particular areas. But the thing is that the farmers down there are so desperate they are taking a look at severing one acre off their lots. As the minister already stated to the farmers in that area: "That is just short term. One year you sever one acre off and that means you have enough money to carry on for another year." In talking to them, we are looking at a more long-range program, not a very short-range program.

Free trade has hurt the fruit farmers down there quite a bit and this is one area where they have been hit since 1987. In 1987, when I ran, it was the same problem also. They were having problems. So over the last four years it has been a real problem.

Another thing too is that commodities coming in from the United States, like sour cherries, wound up having an impact on the sour cherry industry in our particular area. It is just luck this year that there was a frost in Michigan.

I see the clock is getting close to running out. There is I believe one more speaker.

As I say, representing Niagara, I have to take a look at all the farmers, not just a select group. The rest of the province does not have the uniqueness of the Niagara area. I have to stand up here today and say that all farmers need help, not just certain sections.

Mr Villeneuve: I really appreciate everyone participating in this debate this afternoon. I think it brings to the fore the very real problems that are actually unfolding and have unfolded in rural Ontario for the past six, seven or eight months.

Before I go a lot further, I want to emphasize a presentation that was made today, and it was touched upon by my colleague in the official opposition representing the county of Essex. It is a very professionally done paper, *The Impact of the 1991 Drought*. I think some of the statements in here bear repeating and emphasizing.

"Eight companies that supply agricultural needs in Essex county have at present \$1,644,000 past due and outstanding in farm accounts that have balances of 90 days and over." That is a pretty significant figure right there. These are not banks. These are companies that provide fertilizers, seeds, herbicides, what have you, to supply the agricultural community.

Farmers pay their bills when it is at all possible. This says that there is well over \$1.5 million outstanding in accounts 90 days and more past due. This same very well done report on agriculture and the impact of the 1991 drought says that the minimum amount—I hope the parliamentary assistant and the Minister of Agriculture and Food hear this one—to help them this year is in the area of \$20 million, based on very depressed commodity prices, not based on the commodity prices of last year, two years ago or the average, but based on the real facts and figures of 1991.

So \$20 million goes to support the drought conditions—that is simply to give them a break-even point—in Essex and Kent counties this year. I hope that as was mentioned by the Treasurer this afternoon, the Minister of Agriculture and Food does have the clout he claims to have in cabinet.

I was certainly pleased when I discussed with my leader, the member for Nipissing, the leader of the Progressive Conservative Party of Ontario, that we had to bring to the government, to the fore, the major calamities that are being faced by the depressed prices of grains and oilseeds and certainly some of the drought conditions that were faced by some of the tender fruit growers and those farmers in the sun parlour of Ontario.

I am very disappointed that quite a number of people, particularly from the government side, got up and said they could not support this motion. I will put it in a nutshell and I want them to reconsider before we go to a vote. We call "upon the Premier and cabinet to participate in the NISA program for this year and to introduce further mea-

sures to give Ontario producers at least the same protection for 1990-91 that they will have under the new safety net programs, in order to meet the commitments made by agriculture ministers at their meeting in Regina in March 1991." Therefore, this simply says that the Minister of Agriculture and Food for Ontario supports this motion and agreed to it in March 1991. Is it possible his colleagues today will stand and vote against him?

I ask government members to reconsider, those who said they could not support this, probably because it has the name of the member for Nipissing on it, the leader of the Progressive Conservative Party. They should think above politics. They should think support for agriculture. That is what they spoke of all afternoon, the great need out there, and they are not going to support this motion? I do not understand. If they want to play politics, they should say it. If they want to help farmers, they should support it. It is that simple.

In the *Agenda for People*—I will just remind members of the *Agenda for People*, and we could go on for a lot longer than two minutes—the NDP clearly promised a minimum of \$100 million in new programs for agriculture. That was then, of course.

We have had no new announcements. We have had a rehash of the interest support program the previous government had in place. Indeed, the government actually only came up with \$50 million when the previous government had at one point \$100 million of support, reducing gradually as we got away from election time, and then I presume it would have found another one for the election.

However, I say to government members again that if they cannot support this motion, they are playing politics, pure and simple. They should help Ontario's agriculture and support this motion.

Mr Hayes: Who's playing politics?

Mr Villeneuve: Who is playing politics? That is what I am asking. Who is playing politics? We are looking to help. There is a statement here that says, "No support, no farmers, no food."

1750

The government members should have been in Cuba with the four members of the Progressive Conservatives and the four members of the Liberals who came and they would understand. I think there was a very good reason why the government members were cut off from attending Cuba at the last minute. They would have seen what a real socialist regime is like. Empty shelves, no food; that is what a real socialist regime is like and that is what Ontario is heading for.

In summation, the tax on tobacco products in Ontario is \$1 billion a year. The Ministry of Agriculture and Food spends about \$550 million a year, not only to administer but in support of farmers. Therefore there is \$450 million just out of one tax, from agricultural producers, that goes into the government coffers and is distributed everywhere else but in agriculture.

I say to the government that it had better support agriculture now. They will not forget.

1757

The House divided on Mr Harris’s motion, which was negatived on the following vote:

Ayes–36

Arnott, Bradley, Brown, Caplan, Carr, Chiarelli, Cleary, Conway, Cordiano, Cousens, Cunningham, Curling, Daigeler, Eves, Fawcett, Grandmaitre, Harnick, Jordan, Mancini, Marland, McClelland, McLean, Miclash, Murdoch, B., O’Neil, H., O’Neill, Y., Phillips, G., Poirier, Poole, Runciman, Sola, Sterling, Tilson, Turnbull, Villeneuve, Wilson, J.

Nays–62

Abel, Akande, Bisson, Boyd, Buchanan, Carter, Charlton, Christopherson, Churley, Cooke, Cooper, Coppen, Drainville, Duignan, Farnan, Ferguson, Fletcher, Frankford, Gigantes, Haeck, Hansen, Harrington, Haslam, Hayes, Hope, Huget, Jamison, Johnson, Klopp, Kormos, Lankin, Laughren, Lessard, MacKinnon, Mackenzie, Malkowski, Mammoliti, Marchese, Martin, Mathysen, Mills, Morrow, North, O’Connor, Owens, Perruzza, Pouliot, Rae, Rizzo, Silipo, Sutherland, Ward, B., Ward, M., Waters, Wessenger, White, Wildman, Wilson, F., Wilson, G., Winninger, Wiseman, Wood.

The House adjourned at 1801.

ERRATUM

No.	Page	Column	Line	Should read:
58	2510	2	38	The Speaker: Pursuant to standing order104(g)(11),

**LEGISLATIVE ASSEMBLY OF ONTARIO
ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO**

Lieutenant Governor/Lieutenant-gouverneur: Hon/L'hon Lincoln M. Alexander, PC, QC/CP, CR

Speaker/Président: Hon/L'hon David Warner

Clerk/Greffier: Claude L. DesRosiers

Clerk Assistant and Clerk of Committees/Greffier adjoint et Greffier des comités: Smirle Forsyth

Clerk Assistant and Clerk of Journals/Greffier adjoint et Greffier des journaux: Alex D. McFedries

Sergeant at Arms/Sergent d'armes: Thomas Stelling

Abel, Donald (Wentworth North/-Nord PC) government whip/Whip du gouvernement

Akande, Hon/L'hon Zanana (St Andrew-St Patrick ND)
Minister of Community and Social Services/
Ministre des Services sociaux et communautaires

Allen, Hon/L'hon Richard (Hamilton West/-Ouest ND)
Minister of Colleges and Universities, Minister of Skills
Development/Ministre des Collèges et Universités,
ministre de la Formation professionnelle

Arnott, Ted (Wellington PC)

Beer, Charles (York North/-Nord L)

Bisson, Gilles (Cochrane South/-Sud ND) PA to Minister of
Northern Development and Mines, PA to minister
responsible for francophone affairs, Vice-Chair, select
committee on Ontario in Confederation/
Ap du ministre du Développement du Nord et des Mines,
ap du ministre délégué aux Affaires francophones,
vice-président du Comité spécial sur le rôle de l'Ontario
au sein de la Confédération

Boyd, Hon/L'hon Marion (London Centre/-Centre ND)
Minister of Education, minister responsible for women's
issues/Ministre de l'Éducation, ministre déléguée à la
Condition féminine

Bradley, James J. (St Catharines L) opposition House leader/
Chef parlementaire de l'opposition

Brown, Michael A. (Algoma-Manitoulin L) Vice-Chair, standing
committee on general government/ Vice-Président du
Comité permanent des affaires gouvernementales

Buchanan, Hon/L'hon Elmer (Hastings-Peterborough ND)
Minister of Agriculture and Food/Ministre de
l'Agriculture et de l'Alimentation

Callahan, Robert V. (Brampton South/-Sud L) Chair, standing
committee on public accounts/Président du Comité
permanent des comptes publics

Caplan, Elinor (Oriole L) Chair, standing committee on social
development/Présidente du Comité permanent des affaires
sociales

Carr, Gary (Oakville South/-Sud PC)

Carter, Jenny (Peterborough ND) PA to Minister of
Citizenship, responsible for human rights, disability
issues, seniors' issues and race relations/Ap de la ministre
des Affaires civiques, déléguée aux Droits de la personne,
aux Affaires des personnes handicapées, aux Affaires des
personnes âgées et aux Relations interraciales

Charlton, Hon/L'hon Brian (Hamilton Mountain ND)
Minister of Financial Institutions/Ministre des Institutions
financières

Chiarelli, Robert (Ottawa West/-Ouest L)

Christopherson, David (Hamilton Centre/-Centre ND)
PA to Treasurer of Ontario and Minister of Economics/
Ap du Trésorier de l'Ontario et du ministre de l'Économie

Churley, Hon/L'hon Marilyn (Riverdale ND) Minister of
Consumer and Commercial Relations/Ministre de la
Consommation et du Commerce

Cleary, John C. (Cornwall L)

Conway, Sean G. (Renfrew North/-Nord L)

Cooke, Hon/L'hon David (Windsor-Riverside ND) Minister
of Municipal Affairs, government House leader/
Ministre des Affaires municipales, chef parlementaire du
gouvernement

Cooper, Mike (Kitchener-Wilmot ND) deputy government whip/
Whip adjoint du gouvernement

Coppen, Hon/L'hon Shirley (Niagara South/-Sud ND)

Minister without Portfolio, chief government whip/
Ministre sans portefeuille, whip en chef du gouvernement

Cordiano, Joseph (Lawrence L) Vice-Chair, standing committee
on social development/Vice-Président du Comité permanent
des affaires sociales

Cousens, W. Donald (Markham PC)

Cunningham, Dianne (London North/-Nord PC) Progressive
Conservative chief whip/Whip en chef du Parti
progressiste-conservateur

Curling, Alvin (Scarborough North/-Nord L) opposition deputy
whip/whip adjoint de l'opposition

Dadamo, George (Windsor-Sandwich ND) PA to Minister of
Transportation/Ap du ministre des Transports

Daigeler, Hans (Nepean L)

Drainville, Dennis (Victoria-Haliburton ND) PA to Minister of
Municipal Affairs; Chair, select committee on Ontario in
Confederation/Ap du ministre des Affaires municipales,
président du Comité spécial sur le rôle de l'Ontario au sein
de la Confédération

Duignan, Noel (Halton North/-Nord ND) Chair, standing
committee on the Legislative Assembly; Co-Chair, special
committee on the parliamentary precinct/Président du
Comité permanent de l'Assemblée législative, coprésident
du Comité extraordinaire de l'enceinte parlementaire

Elston, Murray J. (Bruce L) Leader of the Official Opposition/
Chef de l'opposition officielle

Eves, Ernie (Parry Sound PC) Progressive Conservative House
leader/Chef parlementaire du Parti progressiste-conservateur

Farnan, Mike (Cambridge ND) First Deputy Chair of the
Committee of the Whole House/Premier vice-président du
Comité plénier de l'Assemblée législative

Fawcett, Joan M. (Northumberland L)

Ferguson, Hon/L'hon Will (Kitchener ND) Minister of
Energy/Ministre de l'Énergie

Fletcher, Derek (Guelph ND) PA to Minister of Consumer and
Commercial Relations/Ap du ministre de la Consommation
et du Commerce

Frankford, Robert (Scarborough East/-Est ND)

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CONTENTS

Monday 30 September 1991

Members' statements

Local Government Week	2585
Mr Mahoney	
Police services	2585
Mr J. Wilson	
Waste Reduction Week	2585
Mrs Mathysen	
Ontario Human Rights Commission	2585
Mr Curling	
School breakfast program	2586
Mrs Cunningham	
Conservation	2586
Mr Abel	
Chambers of commerce conference	2586
Mr Miclash	
Developmentally disabled	2586
Mr B. Murdoch	
International plowing match	2587
Mrs MacKinnon	
Ministerial statements	2587
Mrs Marland	
Mr Cooke	
Mr Elston	

Oral questions

Budget	2587
Mr Elston	
Mr Laughren	
Retail store hours	2589
Mr Carr	
Mr Pilkey	
Mr Sorbara	
Mr Hampton	
Automobile insurance	2590
Mr Tilson	
Mr Charlton	
Charitable gaming	2591
Mr Kormos	
Ms Churley	
Ontario economy	2592
Mr Phillips	
Mr Laughren	
Assistance to farmers	2592
Mr Villeneuve	
Mr Laughren	
TV Ontario	2593
Mrs Marland	
Mrs Haslam	
Taxation	2593
Ms Harrington	
Mr Laughren	
Ontario Hydro rates	2594
Mr Conway	
Mr Ferguson	
Land registration	2594
Mr Arnott	
Ms Churley	

Consumer protection	2595
Mr G. Wilson	
Ms Churley	
Assistance to farmers	2595
Mr Cleary	
Mr Buchanan	
Ontario student assistance program	2595
Mrs Cunningham	
Mr Allen	

Budget	2595
Mr Elston	

Petitions

St James Roman Catholic School	2596
Mr Carr	
Residents' allowances	2596
Mr Cooper	
Assistance to farmers	2596
Mr Elston	
Oath of allegiance	2596
Mr J. Wilson	
Environmental protection	2596
Mr Carr	

First readings

Armenian Community Centre of Cambridge Act, 1991, Bill Pr68	2596
Mr Farnan	
Agreed to	2596

Opposition day

Farm income	2596
Mr Villeneuve	2596
Mr Buchanan	2599
Mr Elston	2600
Mr J. Wilson	2601
Mr Johnson	2602
Mr Ramsay	2603
Mr McLean	2604
Mr O'Connor	2605
Mr Cleary	2605
Mr Jordan	2607
Mr Klopp	2607
Mr Mancini	2609
Mr Arnott	2611
Mr Hayes	2612
Mrs Fawcett	2613
Mr B. Murdoch	2614
Mrs Mathysen	2615
Mr Conway	2616
Mr Hansen	2617
Mr Villeneuve	2618
Negatived	2619

Lists of members

Members and their responsibilities
Committees of the Legislative Assembly



61 1991

61 1991

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Legislative Assembly of Ontario

First Session, 35th Parliament

Official Report of Debates (Hansard)

Tuesday 1 October 1991

Assemblée législative de l'Ontario

Première session, 35^e législature

Journal des débats (Hansard)

Le mardi 1 octobre 1991



Speaker
Honourable David Warner

Clerk
Claude L. DesRosiers

Président
L'honorable David Warner

Greffier
Claude L. DesRosiers



Table of Contents

Table of Contents for proceedings reported in this issue appears at the back, together with an alphabetical list of members of the Legislative Assembly of Ontario.

Reference to a cumulative index of previous issues may be obtained by calling the Hansard Reporting Service indexing staff at (416) 325-7400.

Table des matières

La table des matières des séances rapportées dans ce numéro se trouve à l'arrière de ce fascicule, ainsi qu'une liste alphabétique de députés de l'Assemblée législative de l'Ontario.

Il existe un index cumulatif des numéros précédents. Les renseignements qu'il contient sont à votre disposition par téléphone auprès des employés de l'index du Journal des débats au (416) 325-7400.

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Effective with the opening of the Second Session of the 35th Parliament, Hansard issues and pages will once again be numbered on a sessional basis. Hansard numbering therefore will become consistent with Orders and Notices and Votes and Proceedings, and with other parliamentary publications throughout Canada.

For the last two years Hansard has been numbered according to the calendar year. Under this system, the numbering of issues and pages was restarted with the first issue in the calendar year, regardless of session or Parliament.

Under the new system, the sequence of numbering started in January 1991 will end with the final House and committee sittings of the present First Session. A new sequence will begin on the opening day of the Second Session, and each succeeding session, which will be issue 1 and begin with page 1. Committee reports likewise will be numbered from the first sitting of each committee in a parliamentary session.

Numérotation du Journal des débats

A partir du début de la deuxième session de la 35^e législature, les pages et les numéros du Journal des débats seront de nouveau numérotés par session. La numérotation du Journal des débats correspondra donc à celle de Feuilleton et Avis et de Procès-verbaux, ainsi que celle des autres publications parlementaires au Canada.

Depuis deux ans, le Journal des débats était numéroté par année civile. Avec ce système, la numérotation des numéros et des pages recommençait au premier numéro de l'année civile, quelle que soit la session ou la législature.

Avec le nouveau système, la numérotation commencée en janvier 1991 s'arrêtera à la dernière séance de la Chambre et des comités de l'actuelle première session. Une nouvelle série commencera le jour de l'ouverture de la deuxième session et des sessions suivantes : numéro 1, page 1. Les rapports des comités seront également numérotés à partir de la première séance de chaque comité pour une session parlementaire donnée.

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LEGISLATIVE ASSEMBLY OF ONTARIO

Tuesday 1 October 1991

The House met at 1334.

Prayers.

MEMBERS' STATEMENTS

VILLAGE OF EGANVILLE

Mr Conway: I would like to rise today and pay tribute to the residents of an historic community in my constituency, namely, the village of Eganville, which this year is celebrating the centennial of its municipal incorporation in 1891.

In a very personal way, I want to pay tribute to the community for the organization of its centennial efforts over the past number of months, but most especially for its efforts in the course of the summer, during which time it hosted a spectacular series of centennial events, culminating in a marvellous ecumenical service and parade on the Sunday of the long weekend in August.

In a very personal way, I want to pay tribute as well to Mr Gerald Tracey of Eganville, who was the chair of the centennial committee. That committee worked incredibly diligently over the course of three years. In addition to their efforts previously referred to, they constructed a spectacular waterfront park in the heart of the village of Eganville along the shores of the beautiful Bonnechere River, as well as producing a history book highlighting the history of this very famous community in my part of eastern Ontario. I have a special word of congratulations to Mr Tracey and his colleagues at the Eganville Leader, who published a 225-page centennial supplement to their July 24, 1991, edition.

As the local member, I want to pay particular tribute to the marvellous history of that community and to the almost incredible volunteerism that made this centennial celebration the spectacular success it so evidently was.

RED HILL CREEK EXPRESSWAY

Mr Turnbull: Last night I was one of 400 people who attended a fund-raiser for the continued fight against the government's decision to axe the Red Hill Creek Expressway. Of the six NDP MPPs invited to attend this event, none had the courage to face the people. The Conservative Party is the only party in this House that has consistently supported the construction of the Red Hill Creek Expressway.

There can be no argument about the tremendous economic and social benefits this highway would bring to the region of Hamilton, and \$70 million has already been spent on this project and is now just wasted money.

The party that always billed itself as one in favour of consultation cut off this important project without consultation or good reason. The government has broken its fundamental promise to listen to the people and be fair in its action. As one speaker, a steelworker, said last night, "The NDP has been in opposition so long they are now in opposition to the people." The very competence and moral fibre of the NDP is questioned by its actions in this matter.

What I saw last night was an incredible amount of citizen anger and energy focused on the task of trying to have this government listen to reason and right. Governments have an obligation to make decisions that are seen to serve the best interests of its citizens. This ruling fails that test. I urge the new Minister of Transportation to review his government's anti-expressway stand.

UNITED WAY CAMPAIGN

Mr Martin: Today I would like to congratulate all those individuals across Ontario, and particularly in Sault Ste Marie, who are devoting their time and energy to the United Way fund campaign. During these difficult times, particularly in my own riding, we must support and encourage the efforts of the United Way volunteers. This fund drive is a 99% volunteer effort. What we must remember is that without a strong volunteer network, human care needs would not be sufficiently met.

In Sault Ste Marie, we are facing a difficult winter. The demand is great and the challenge for the United Way volunteers is even greater. I encourage all those who are presently employed to recognize these fundamental needs and come out and join these volunteers. I urge you to contribute to this vital cause in our community and across the province.

Our theme this year at the United Way in Sault Ste Marie is appropriate in light of our present situation. This theme is, "Let's Pull Together." I am personally asking that we, as a caring community, support our local United Way fund campaign. Let's truly pull together.

1340

ENVIRONMENTAL PROTECTION

Mrs Sullivan: New Democrats whom I have met and others who are members of the party must be reeling in dismay at the environmental record of this government, because it is truly one to be ashamed of. There is no sense of what the Minister of the Environment's rules are or what they will become, since the minister puts forward inconsistent and disconnected rhetoric in virtually every area.

Her statement on the municipal-industrial strategy for abatement is a perfect example. It is a vague reiteration of environmentalist lingo, and while it was being put together fully one year was lost in dealing with toxic discharges into our waterways.

If a total loading reduction approach is to be taken, where are the minister's interim load reduction targets? Where are her time lines? If elimination in the manufacture, use, generation and release of toxic substances is to engendered, where is her list of toxics that must be phased out of industrial use? What reporting mechanism is to be utilized? What kind of centralized data bank will be required, and what information will be made public?

There is a need for a systematic, coherent process involving government, industry, municipalities and the public, a

process that specifies the timetables and the legal mechanisms for bans and phase-outs and analyses the volumes of toxic chemical use, the availability of alternatives and the process changes required.

None of these are on the table and there is no indication of when they will be. We have waited for a year while we have simply heard rhetoric.

Time lost is air and water polluted, and that is this government's record: adding to the environmental problems and not solving them.

GARBAGE DISPOSAL

Mr Jordan: I rise today to bring to the attention of the Minister of the Environment yet another injustice that is being done to eastern Ontario. Seven municipalities—Smiths Falls, Carleton Place, Pakenham, Prescott and the townships of Beckwith, South Elmsley and Kitley—are being dealt a raw deal over garbage.

The municipalities, because of new regulations set by the Minister of the Environment, are facing a \$20-per-tonne increase for continued garbage disposal at the Carp landfill site. At \$90 per tonne, the municipalities are already paying a \$44 premium above the regional rate of \$46. The \$20 will be added to the \$90 rate.

To a town like Smiths Falls, the January 1 increase would result in an \$80,000-a-year expense and force additional taxes on residents who are already paying over \$600,000 in unsubsidized dollars on waste disposal.

The Ministry of the Environment is forcing the municipalities to dispose of their waste in Carp, but is driving costs out of control. Constantly changing rules set by the ministry has made locating a waste disposal site a nightmare over the past 20 years in Lanark-Renfrew. The responsibility lies with the minister.

KOREAN HERITAGE DAY

Ms M. Ward: Today I would like to pay tribute to all Ontarians of Korean descent.

Five years ago, the Ontario government proclaimed October 4 as Korean Heritage Day. On this Saturday, October 5, the Korean Canadian Cultural Association of Metropolitan Toronto will be celebrating Korean Heritage Day at its community centre at 20 Mobile Drive, which is located in my riding of Don Mills.

The Korean Canadian Cultural Association of Metropolitan Toronto has a membership of over 2,500 people. The association provides information and referral services for immigrants, seniors and those in need. English as a second language training and other educational programs are also offered.

Korean Canadians are one of the smaller ethnocultural groups within Canada in terms of population size, but they have made significant contributions to our economic, social and cultural life. Many of them are active members in the professional and retail business sectors of our economy. I know the members of this House who are from Metropolitan Toronto can look around their ridings and find Korean Canadians operating successful businesses in their communities.

The Korean heritage is rich in folk traditions. They have brought us their music, dance, cuisine and crafts. This week is a fitting time for us all to applaud Korean Canadians for their successful integration into Canadian society while preserving their cultural heritage. Let us wish them a joyful celebration on Korean Heritage Day.

OPP CUTBACKS

Mr Bradley: I had the opportunity last Saturday to be in downtown St Catharines on the main street, St Paul Street, as the Niagara Grape and Wine Festival parade was going by. It was indeed a beautiful parade. We had the lovely floats it has become famous for. We had the smartly marching bands which come each year. We had everyone who was part of the parade, but something was missing: It was the hum of motorcycles I could not hear and the pipes and drums I could not hear.

The Golden Helmets of the Ontario Provincial Police added so much to that parade over the years. So many people commented on its wonderful part of Ontario tradition. Then I listened for the OPP Pipes and Drums. They too were absent from the parade, as they are absent across Ontario now because this government has decided to destroy this vestige of history and heritage in this province. Indeed, the last time they performed was in Perth when the Premier was present. The St Catharines Senior A fastball team members told me how much they enjoyed the Golden Helmets at that time.

With Prince Charles and Lady Diana coming to Ontario, how appropriate it would be to return the Golden Helmets and the Pipes and Drums to our province.

TECHNOLOGICAL TRAINING

Mrs Cunningham: I would like to take this opportunity to congratulate the London Board of Education for stating its long-range plans to update and expand technological education in London schools.

Trustees approved a comprehensive plan to extend education and technology from grade 1 to grade 12. The plan is comprehensive and considers the age and ability of the students. For example, in grades 1 to 6 eventually every classroom will have a technology corner where tools and materials will be available for projects, much like most junior classrooms now have a reading corner. The same kind of idea, an extension of opportunities to young people in technological studies, will extend to grades 7 and 8 and again the curriculum in grades 10 to 12.

In their deliberations they underlined the fact that mandatory grade 9 technical studies courses are not an option for this government but something the government should move towards quickly. Co-operative education programs have been expanded. This board has been a leader in this province in working with the business community and industry and the unions.

I urge the Minister of Education not only to take a look at what is happening in schools in the London board and around the province in technological studies but to work very carefully with the Minister of Colleges and Universities, who is also Minister of Skills Development, in making

a comprehensive program realistic to all young people across Ontario.

PETERBOROUGH ECONOMY

Ms Carter: I want to draw the attention of the House to the consequences to Peterborough of free trade, the high dollar and related federal government policies.

Local trade unionists realized years ago that jobs would leave if tariffs were removed. Outboard Marine, Raybestos, Nashua, Alfa Laval, Purity Packaging, Johnson and Johnson and many others have pulled out. General Electric has downsized. Two more firms have gone in the last couple of weeks, Kendall and A-L Stainless. Within the city, nearly 16% of all children are on social assistance. The real unemployment level is also 16%.

I want to thank all the groups in Peterborough, such as the Peterborough Social Planning Council and the many agencies and volunteers, beginning with the United Way, which are fighting these trends and assure them the government at Queen's Park is working with them. We established a wage protection fund. We are improving retraining programs and social services. We will protect the rights of workers and do all we can to create good new jobs.

There are some exciting new growth points in the Peterborough economy. A locally based firm is making energy-efficient light fittings and another is developing high-tech metering equipment. Our GE factory may take on a new lease of life with energy-efficient technology. All these developments will not only provide jobs but also help in the urgent task of protecting our environment. We will work together for a better future.

1350

STATEMENTS BY THE MINISTRY

ENVIRONMENTAL BILL OF RIGHTS

Hon Mrs Grier: I wish to take this opportunity to advise the members of the Legislature about the progress of the environmental bill of rights and the next stage in its development.

My commitment to this bill has long been a matter of record in the Legislature. Our goal is simple but of profound importance: to give the citizens of Ontario the right to act to protect the environment.

I am pleased to advise the Legislature today that I have now established the minister's Task Force on the Ontario Environmental Bill of Rights. This task force is made up of representatives from business, environmental groups and government. The members will draw upon their expertise and experience to design a draft bill.

The task force is co-chaired by my deputy minister, Gary Posen, and Michael Cochrane, a senior counsel with the Ministry of the Attorney General. Members of the task force are Bob Anderson from the Business Council on National Issues, George Howse from the Canadian Manufacturers' Association, Rick Lindgren from the Canadian Environmental Law Association, John McNamara from the Ontario Chamber of Commerce, Sally Marin from the Ministry of the Environment, Paul Muldoon from Pollution Probe and Andrew Roman of the law firm Miller, Thomson.

Co-chair Michael Cochrane will also meet directly with groups that have a special interest in the proposed bill, such as the Ontario Federation of Labour, the Ontario Federation of Agriculture, the Association of Municipalities of Ontario and the Canadian Bar Association.

I believe this is a balanced and thorough way to proceed in the development of this bill. Because the bill is closely related to many other pieces of provincial legislation, it requires a detailed and careful drafting of its provisions and a complete understanding of its implications.

Everyone on this task force has agreed to work within the framework of some principles which I have indicated are fundamental to this bill. These include the public's right to a healthy environment; the enforcement of this right through improved access to the courts and/or tribunals, including the enhanced right to sue polluters; increased public participation in environmental decision-making by government; increased government responsibility and accountability for the environment, and greater protection for employees who blow the whistle on polluting employers.

Our earlier consultations, which were with the public, an interministerial committee and an advisory committee of 26 organizations, concentrated on a broad discussion of principles. This task force will focus on the specific provisions of a draft bill. When the draft bill has been completed, there will be a further opportunity for public review.

In closing, I would like to thank the members of the task force and the members of the Legislature, whom I welcome in joining me in delivering this important reform to the citizens of Ontario. Representatives of this task force are in the gallery today. I would like them to stand so that they can be recognized for the hard work I know they are going to do.

ASSISTANCE TO FARMERS

Hon Mr Laughren: I am about to make an announcement on agricultural assistance. The Minister of Agriculture and Food is not here right now, but he will be here later on in question period to answer any questions, just on the outside chance that members have any questions of him.

At the start of this session of the House, the Premier outlined the challenges that lay ahead for the government in the economic renewal of this province. In his statement, the Premier noted that rural communities in Ontario are in difficulty due to the collapse in farm incomes. He renewed this government's commitment to work with farmers towards the renewal of the rural economy. Agriculture is and remains a key sector in the province's economic renewal strategy. We have always maintained that a strong provincial economy depends on a healthy agricultural and rural economy.

Everyone is well aware of the serious financial difficulties Ontario farmers are facing. Low commodity prices, low yields, high grain supplies, a severe drought in parts of the province, the effects of free trade and gaps in government support programs have all combined to create this financial hardship. It is a hardship that affects many producers.

The fruit growers have had cheap fruit dumped in Canada. Grains and oilseeds producers have suffered low prices because of international trade subsidies driving down world prices.

The Minister of Agriculture and Food has toured the province this summer, about 25 counties and districts in total. He has seen the severity of the drought and has listened to the financial plight of farmers and their families. His parliamentary assistants have also met with many farmers and farm groups and have discussed their findings. Our colleagues in the rural caucus have regularly shared the concerns and needs of their constituents with the minister.

In response to these consultations and in keeping with our commitment to renewing and revitalizing the agricultural and rural communities of Ontario, we are pleased to announce today that the Premier and cabinet have approved the emergency assistance package for Ontario farmers for 1991. The program will consist of the following components.

First, there will be additional funding to our existing 1991 farm interest assistance program. Earlier this year we announced a \$50-million farm interest assistance program to offset interest costs to Ontario farmers. The program was well subscribed and funds fully committed. Consequently, we are adding another \$11 million to benefit all applicants to the program.

Second will be a payment to grains and oilseeds producers, as originally requested by the commodity council, equal to their premiums in our provincial farm income stabilization program for these crops. This premium exemption will provide \$15 million to participating grains and oilseeds producers.

Third is a payment to producers of edible horticultural crops equal to 1% of net sales as calculated under the net income stabilization account for the 1990 tax year. This 1% payment amounts to \$5 million for producers of edible horticultural products.

Fourth, we will negotiate with the federal government to include apples, honey, onions and fur as eligible commodities under the net income stabilization account program. The province will contribute 1% of eligible net sales for these crops for the 1990 tax year, which amounts to \$1 million.

Fifth, we will provide \$3.5 million to farmers and farm families experiencing financial stress from market prices or drought. Details of this component will be determined after consultation with farm groups.

Together, these components of the assistance package amount to \$35.5 million in assistance to alleviate the difficulties faced by our farming communities.

The Minister of Agriculture and Food has spoken to the federal Minister of Agriculture, Mr McKnight, about this package. We have emphasized that our province has been singularly hard hit by the current recession. Yet despite our declining revenues and difficult fiscal situation, we have drawn on our resources once again to aid our farmers. We call on the federal government to live up to its commitment to provide financial assistance to Ontario farmers in these extraordinary times.

We recognize that money is not the solution to all the problems pressing on our farms and farming communities. We know that this money alone is not enough, but for the present it is what we can offer in times of very tight provincial budgets. We remain confident that this new injection of funding, coupled with the cash flow which will result from the interim gross revenue insurance plan payment, will help bridge financially troubled farmers until next year when long-term programs take effect.

We wish to acknowledge the efforts of farm organizations, local farm groups and the rural caucus in bringing to the attention of the public the need to direct new money towards agriculture in Ontario, even in these times of limited resources.

Although this package is designed to alleviate short-term difficulties, we will continue to have discussions with our farm and rural community leaders to develop long-term options for the economic restructuring and renewal of the agricultural sector of Ontario.

Interjections.

The Speaker: The normally quiet member for Quinte is blocking his good colleague.

1400

RESPONSES

ENVIRONMENTAL BILL OF RIGHTS

Mr McClelland: No doubt the member is excited, and as a former Minister of the Environment, he well ought to be.

A year ago, the member for Etobicoke-Lakeshore was sworn in as minister. She made a commitment as she travelled this province throughout the campaign. Among those promises she made, the very cornerstone of her environmental policy was the introduction of the bill of rights.

A year later, she is advising the House today that she is putting together a ministerial committee. I wish it well. She has great people there, tremendous resources. But where is the bill of rights she promised immediately to the people of Ontario? She travelled the province and told them she was going to do it. When the minister was in opposition, she stood in her place and hammered away at the government of the day, asking for that environmental bill of rights. She tabled one when she was in opposition. With all the help she has from the bureaucracy, all the able people she has, she still has not been able to produce. The member for Halton Centre has put a good bill before the minister. Why can she not do it?

Furthermore, the minister has had the opportunity to do it. It is amazing that the minister has not been able to produce in the time she has had.

I also want to draw to the minister's attention and ask, in spite of all the good people she has in there, where is some representation from the agricultural community? Farmers are very concerned about the impact this bill may have on their operations. They have been left out in the past. They were left out of the advisory committee she introduced in this House on December 13. The farmers are wondering when she is going to talk to them, when she is going to include them in the discussions.

On December 13 she announced an advisory committee and we have not heard yet what it has done. Where have they been for the past few months? What have they done? She has enunciated that it agreed with the broad principles. Is she going to allow this group to build on the work it has done? Is she starting afresh? When can we expect her to introduce her legislation—a year, two years, three years? What does “immediately” mean to the minister? Where is it? She has not reported back to us on what she has done. I want to know what kind of work she will be doing.

I wish her well. The people she has are great people, but let's get real here. When she and the Premier travelled the province, she talked about what she was going to do immediately. She put that in her agenda for power. She put it to the people of the province. They expect action. They have waited a long time. She will do well with these good people. It is too little, too late. The minister has lost it in terms of what she said she was going to do.

ASSISTANCE TO FARMERS

Mr Cleary: We are pleased on this side of the House that the government has finally recognized the crisis in agriculture. Our party has worked with farm groups throughout the summer and the fall to stir the government to action. The five-month delay in the announcement has caused serious problems in the agricultural community. Farm leaders appeared before the standing committee on resources development, criticizing the government's inaction. It is no wonder that farm leaders believe the government has no long-term commitment to agriculture.

The government today announced \$35 million of the \$124-million gap in financial support that farmers face this year. Farmers will be left to face the reality of dealing with the rest of the crop themselves. Farmers in Essex county, facing over \$40 million in crop damage, will be wondering how \$3 million in extra assistance will allow them to keep farming. Farmers will be disappointed to learn that the announcement does not contain the provincial funding for NISA that they demanded.

Many of the farm groups we met with are going to be very disappointed. They are going to say it is just another patch on the boot. Anyway, I hope the Treasurer has good luck dealing with the federal government. He has said there are some things he is going to do in agriculture, and I wish him all the best and hope the good message keeps coming, because this is just a stopgap measure until the new programs kick in. Maybe he will get generous and announce a few more things for the agricultural community.

MINISTERIAL STATEMENTS

Mr Bradley: I was interested in the statements that were made today because I was waiting with baited breath for yet another statement that would be made to the House by the Minister of Energy. I did not know whether it would relate to the statement made by the Treasurer or to the statement made by the Minister of the Environment, both of which were interesting statements for which we made very good responses.

But there was a statement I was waiting for from the Minister of Energy and I thought with the news media all sitting here, he would perhaps want to make this particular announcement to the House today. We are quite willing as a party to extend the time of statements for ministers, if necessary, so he can make his statement.

ASSISTANCE TO FARMERS

Mr Villeneuve: The \$35.5 million is certainly better than nothing, and I understand that because of a debate that occurred right in this Legislature yesterday, the package was enriched by \$15.5 million this morning. So I guess it does help from time to time to jar them, and if we need a prod, we will use a prod. However, there is a recognized need out there of \$194 million just to meet the falling commodity prices, and it was exactly outlined by both the Ontario Federation of Agriculture and the horticultural producers. Quite obviously we have a major shortfall.

It is amazing that this government had \$151 million for de Havilland and it had \$250 million for communities in northern Ontario such as Kapuskasing and Elliot Lake, but worst of all, it had \$515 million of additional income to civil servants in the province. The \$35.5 million pales in comparison to that kind of money. That is for 60,000 farm families that are out there producing to make sure that everyone is well fed in Ontario and producing lots for export.

The Minister of Agriculture and Food, when he made the statement in Mississauga at 12:30, said the presentation by Essex county farmers yesterday had no bearing at all on his statement today. That is how this government listens to the public. The farmers made an excellent presentation and showed why \$20 million just for drought assistance is absolutely required in Essex county, but the minister said their presentation made absolutely no difference to him or his government. That is how they listen.

Some 60,000 farm families will say, “Thank you for the \$35.5 million,” but it will not save their farms from going under. I say to the Treasurer, the minister and the Premier that they are going under, and it is a rather sad situation. As a matter of fact, it is a shame.

ENVIRONMENTAL BILL OF RIGHTS

Mr Cousens: The Minister of the Environment may have forgotten that on May 15, 1989, she had all the answers with regard to the environmental bill of rights, and even the Liberals came out with the identical bill. The minister should not rush it. She should take her time, do it right. She made the promises before she got in there, but she should do it right. We are faced with the fact that she had all the answers at one time, and now I am afraid of what she is going to do.

She has what she did before. She had all the answers then. She should come along to this House now and understand at least a couple of the points that should sink in.

The first is that her bill encourages the use of the courts to address environmental issues and environmental harm. The minister should think twice about how she is going to use the courts. Her bill encourages a breakdown in the relationships between the environment, municipalities and

other groups. She should make sure that when she comes out with her environmental bill of rights it is not going to be nearly so destructive as the Liberal bill of rights or the ones she brought in before. She should allow some common sense to creep in. May she, who has been selected, come out with some bright ideas that will help this government, which is going down deeper and deeper in the hole.

1410

Mr Stockwell: Under her regime, the Minister of the Environment has taken this province to a sad low. She stood in this province during the campaign and made promises she could not keep. The minister promised people at Keele Valley and in Mississauga she would not expand landfill sites without full environmental hearings. She did not tell the truth. She stood in front of the people of this province and said—

The Speaker: The member for Etobicoke West should not be suggesting that another member of the House is not telling the truth. Would you withdraw that statement.

Mr Stockwell: I will withdraw that she did not tell the truth.

I do not think the minister was being forthright with the constituents in this province. She promised the bill of rights. She has not delivered on the bill of rights. The minister has the piece of legislation before her. I do not know what is taking her so long. It is not being fair to the people. It is not being fair to the environmentalists. I do not know what is taking her this length of time.

VISITOR

The Speaker: Before continuing, members may wish to welcome to our midst this afternoon, seated in the members' gallery west, a former member of the assembly from Kitchener-Wilmot and a former minister of the crown, Mr John Sweeney.

ATTENDANCE OF PREMIER

Mr Bradley: I rise on a point of order—a point of order which was raised by former members of the House such as Ian Deans and Elie Martel and the present government House leader—to ask where the Premier is today and to register a complaint with the government that the Premier has not been present in the House to answer questions on a number of occasions, surely one of the most important responsibilities a Premier has. I recognize that he can play national statesman, because that is a role the Premier has to play, and that he has other things to do, but surely a person who sat over here and wanted the government to be accountable would be present in the House on more occasions than this Premier.

Hon Mr Cooke: I certainly appreciate the comments from the House leader for the official opposition, but I think it is fair to say that the attendance of the cabinet and of the Premier has been absolutely outstanding. We have respect for this place and we have respect for the process, and we have shown that by our attendance. I think the House leader for the official opposition should be a little fairer than he seems to be this afternoon.

The Speaker: To the point of order raised, while the Speaker has many duties and responsibilities, taking attendance is not one of them. It is time for oral questions.

Mr Elston: I find it interesting that most of the announcements that have been made recently by this government have not been made in this House. I would think that should come to the attention of all the people who think this place is supposed to be where the people do their business.

In any event, just before I start my questions, I would like to thank the Minister of Agriculture and Food, who I know now has gone to the wall twice with his cabinet colleagues, first, at the retreat up at Honey Harbour to try to get agriculture on the list of the 10 top items they should deal with and, second, with respect to the funding that has been announced. I want to thank him for that, as I have undertaken to do on any occasion when I think some work has been done for the benefit of the province.

ORAL QUESTIONS

BUDGET

Mr Elston: Let me deal first of all with my favourite minister, the current Treasurer. The Treasurer has noted that his deficit increase above and beyond the reckless \$9.7-billion level which he talked about in April 1991 is the result of, among other things, pension deficits, forest firefighting, increased use of health care and welfare costs, but he has not yet been able to tell us the numbers that are associated with any of those problem areas to any degree of accuracy, although he does go out to the media from time to time and drop more specific hints about the numbers.

Can the Treasurer commit to us today that when he delivers his expenditure statement tomorrow, he will give us a program-by-program accounting of all the increases in each of the program areas that he has underlined as problematic for his budget plan?

Hon Mr Laughren: I do appreciate the question again from the leader of the official opposition. It is my intention tomorrow to provide more details to the Legislature not only on the pressures that have been mentioned here but on some of the others as well that are not in such large numbers but nevertheless are there as pressures. Yes, I think the member will get the details he is seeking tomorrow. When the second-quarter finances come out, there will be even more details than that, of course, but I think we are going to provide tomorrow the kinds of details the leader is seeking.

Mr Elston: It is very helpful for us to get the issue of the problems before us after the minister tells us about what solution he is giving us. It does not help us prepare to assist him in his dilemmas.

But I would like to indicate that, after repeated questioning yesterday, the Treasurer finally admitted that he had at least a few management principles which he was applying to the examination of his expenditure crisis. He did not tell us what they were in here, but he did tell the media that it was a "use it or lose it" type of principle he was applying in some cases.

Can the Treasurer tell us that basically what he was telling his ministerial colleagues was, "If you don't spend your budget, we'll take it back," and as a result any of the efficient people who are managing their expenditure crises better than others are going to be penalized to make way for those administrators who are not performing well? And can he tell us whether or not there are any other management principles which he is applying along with the "use it or lose it" guide?

Hon Mr Laughren: While I do think that this community and the province are well served by the tabloids that are published in Toronto, they are not always spot on. I do not recall ever using the term "use it or lose it," at least not in a polite way. I want to assure the leader that what we are trying to do as we try to contain our expenditures is to do it in a very sensitive way and in consultation with the people who are recipients of the service and also the people who deliver the service. We are very serious about going through this exercise in a more sensitive way than I think other jurisdictions have done in the past.

Mr Elston: In addition to the types of line-by-line examinations, or perhaps more program-by-program examinations, which he will give us tomorrow, will the Treasurer undertake today to us that he will refer his expenditure plan to the standing committee on finance and economic affairs so that we can examine him and his minions, either in treasury board or in the Treasurer's department, who have put together this program so that we can understand where the principles have been used effectively or whether there have been any real principles at work?

Hon Mr Laughren: First of all, I certainly have no objections to getting advice from all members in the House and, of course, members opposite as well. On the matter of referring it to the standing committee, I would make one suggestion only, that the matter go to a meeting of the House leaders to determine, with the Chair of the standing committee, if that is what they want to do.

Mr Elston: I hope I heard the minister say he is not opposed to that so that we can get on with the work of the committee, but I do not think he really said that. I hope he is in favour of it.

1420

NURSING HOMES

Mr Elston: My next question is to the Minister of Health. It has been described by the Treasurer and reported in the tabloids recently that there are some problems with respect to quality care for our senior citizens in the province and in fact there are some crises being spoken about.

I would like the Minister of Health to tell me that the seniors who are resident in nursing homes across this province are not at risk and, if she finds that there are people at risk in those nursing homes as a result of financial difficulties, what action she intends to take to guard their safety.

Hon Ms Lankin: I think the issue that the member raises is an important issue for all members in the House. There has been a lot of attention lately in the media with respect to the funding levels of nursing homes and the fact

that a number of nursing homes in the province are facing very difficult situations right now. I think 12 to 14 are actually in receivership, and there is some suggestion that there could be many more that would go into receivership except there are no buyers at this point in time, so the banks have sort of stepped back from that as a tactic.

It is a very serious situation that we face, and I think we have been looking at it with respect to the redirection of long-term care and levels of funding to care for our seniors in the various types of homes as being a very important part of that reform. The question that gets raised, by virtue of the problem they face, is whether they can wait that long. I think that we see light at the end of the tunnel, and they do in terms of stabilization for the beginning of 1993. The question is between now and then.

The one thing I have become convinced of, as a result of which the Ontario Nursing Home Association actually sees some hope, is that we are the first government to say to them that we believe they are right in the claim they have been making for a number of years, that the level of care required by patients in nursing homes is in fact of an equivalent nature to those in other types of homes. As a result of that, I have undertaken to look at this issue and to try to do something in an interim way.

Mr Elston: I again would want the minister to tell us that none of the seniors in residence in any of those facilities are at risk. Second, since she has described the problem as one between then and now, then being the time when the new funding mechanism comes into place, would she describe to us what she intends to do to prevent any seniors falling into the risk category and what she intends to do to take care of any potential staff layoffs which could jeopardize the level of care those people are receiving?

Hon Ms Lankin: There is a lot of information here and I do apologize. I did not address one of the specific points of the honourable member's question.

At this point in time our analysis is that there are no seniors who are at risk, and we are ensuring, if there are any homes that we think are in that sort of situation where they would be looking at closing the doors, we have a plan in place. However, I do not think that is sufficient, and I would like to move to have a bit more of a comprehensive response to the problem between now and then. I am looking at whether or not we are able to do an interim phasing-in towards level of care funding. As the member knows, that has been announced for January 1993. I am hopeful we might be able to do some phasing towards that.

It is a very difficult fiscal time, as the member has heard, and he has been pursuing that line with the Treasurer. I am not in a position to tell the House today what steps I might be able to take, but I am pursuing that and I hope to be able to inform the House in the very near future.

Mr Elston: What is first and foremost necessary is that everybody should understand that the current government has postponed the implementation of the level of care funding formula. It was supposed to take effect very soon, but the government has put it back to 1993; what that means in fact is that some of the lending institutions are

now concerned about whether or not they can carry the operation.

My concern is that, between the time when the minister acts to take the problem of funding away from the people who are administering the nursing homes that are in receivership or otherwise, she guarantee us that no senior who is currently resident or about to be resident in any nursing home will be left at risk, and that she share with us the emergency plans she has put together to take effect if there are staff cuts which jeopardize the care of seniors in those homes.

Hon Ms Lankin: First of all, on the issue of the delay, moving new levels of care funding to 1993, that is part of the redirection of long-term care. Perhaps I was not clear enough in my previous answer to say to the member that in fact I hope in the next fiscal year we will be able to take steps to move towards that so the delay will not be felt in the same way. What I am actually working on right now is whether in the short term, or immediately, there is some sort of assistance we might be able to give, and it is a very difficult proposition.

The member talks about pointing out there is that delay and says that should be made very clear. I know everyone wants this to be a kinder, gentler place, and everyone is saying we should not point fingers, but I do have to point out that the reason we have this problem is because no government has ever agreed that nursing home clients require the same level of care funding as clients in homes for the aged or charitable homes. This government recognizes that and is committed to that, and we have said it publicly for the first time.

SOCIAL ASSISTANCE

Mr Jackson: I have a question for the Minister of Community and Social Services. The Premier, late this summer, indicated to the Canadian Press that our social welfare system in this province, as administered by the minister, needed some changes. To quote him directly, "We are simply going to have to do a better job of cutting down on the bureaucracy, cutting down on the overlap and the amount of administrative confusion and try to get services delivered more efficiently," Mr Rae said."

Given that the Premier has used every word except the word that every mayor and municipality in this province has used, and that word is "accountability," could the minister please advise this House what new initiatives and what specific recommendations she is putting in place for greater and enhanced accountability on the issue of the social welfare dollars that are spent in this province?

Hon Ms Akande: This question is one which has been emphasized again and again not only by the Premier but also by the ministry staff and by me myself.

The real issue here is that we have initiated several steps towards making this a more accountable system. One of the things we are focusing on is the use of the computer material and the sharing of that information so the information that is collected through various other systems, such as unemployment insurance and others, will also be shared through the welfare system when people move off that unemployment insurance listing.

We have moved in a way so that our workers have more meaningful contact with the social assistance recipients to the extent that they will be counselling them and moving to support them back into the workforce and back into training and other skills areas.

Mr Jackson: Today is October 1, and it marks the day on which 63 of the 88 recommendations contained in the SARC report are put into effect. The concerns expressed by mayors in municipalities all across Ontario are still out there; they have not been addressed. They have legitimate concerns such as, what direction is this ministry giving on recommendation 33? I will read that into the record: "Employable persons, age 16 and 17, who are in need and who are living outside the family home should be eligible for assistance unless there are special circumstances that indicate that they should not be eligible."

My understanding from the government's last communiqué is that this is an as-of-right recommendation and guideline from this government and that the onus is on the very workers who are managing the public purse to prove it, and not the applicant or the recipient having to prove that need.

These are fundamental questions which some mayors in this province have referred to as an outrageous recommendation in the absence of a framework of accountability. I ask again of the minister, when is she going to publicly state in this House and advise municipalities how she is going to bring an accountability model to these social assistance reforms? When is she going to talk publicly on this issue?

Hon Ms Akande: In fact, there is a framework of accountability that we have discussed in this House and that we have in fact stated we seek to extend.

The recommendation the member raises here in the House as one of great concern to the mayors of many municipalities has been the subject of discussion with many of those mayors, and the Association of Municipalities of Ontario has come to meet with us around it. We have not implemented that recommendation today, October 1, which was the slated day, because we are developing a better implementation strategy. It might be noted that this implementation strategy is being done in concert with, discussion with and consultation with the very mayors to whom the member refers.

1430

Mr Jackson: I do not doubt for a minute that the minister is terribly concerned about this issue, but the facts out there are that the municipalities do not know where she stands on this issue. Today the Treasurer had to stand in this House and talk about substantive cuts in spending in this province, and the Minister of Community and Social Services and the Minister of Health control some 50% of all expenditures that occur in this province.

This is a legitimate question that municipalities have raised for the minister. It is a legitimate question for any member of this House to ask the minister what she is doing about accountability. The truth is that the single largest contributor to property tax increases in this province this year is the growth in the cost of our social assistance

programs. We have an obligation to those people to understand that there has to be an accountability in this system.

In light of the fact that there have already been cabinet document leaks that indicate the minister's programs with SARC improvements were not accurately costed, in light of the fact that the Treasurer has put an order out to all cabinet ministers to look at restraint, I ask her again, when will she assure the property taxpayers in this province that she has a system of accountability in place which will ensure that our social assistance system support net does not turn into a social service assistance safety hammock?

Hon Ms Akande: I will repeat for the member that in fact we have developed an accountability framework and continue to refine it and extend it, and so we shall, and we shall be talking about it in this House. I will also remind the member that it is in recognition of the fact that we are responsible for people that we are determined this recession will not be carried on the backs of the poor, that we are determined to focus our view on economic renewal and that we have set our course as we have.

I wanted to tell him then and I will tell him now that we are developing and improving an implementation strategy for the 16- and 17-year-olds. We are committed to ensuring that families are maintained where it is appropriate but that 16- and 17-year-olds are not in danger of suffering abuse if their being on social assistance is more appropriate.

LABOUR LEGISLATION

Mrs Witmer: My question is for the Minister of Labour. The sweeping changes to the Ontario Labour Relations Act, as outlined in the Burkett committee report and his own cabinet submission, have alarmed businesses across this province. Having received no concrete answers from either the minister or the Premier about what changes their government plans to proceed with, businesses in this province are either putting investment decisions on hold or are looking very seriously at transferring their operations elsewhere, to another jurisdiction. The uncertain investment climate he has created by the release of these two documents is having an extremely negative impact on job creation, not only for today but for years to come.

In order to repair some of the damage that has already been done by the uncertainty surrounding these proposals, I would like the minister to provide us today with some straight answers to my questions. The cabinet submission states that the minister intends to introduce legislation prior to the end of this year. Could the minister specifically indicate to us today when he intends to bring forward his legislation into this House?

Hon Mr Mackenzie: I am sure the member recognizes that any document that goes to cabinet and that is to outline a consultative process has to go through the cabinet first. That will be done as soon as we can make the arrangements.

Mrs Witmer: I am extremely disappointed that the minister's response continues to be vague. It is simply not acceptable. If we are going to give the business community an opportunity for further investment and to create further jobs in this province, we need some answers.

In response to my question last Wednesday, the minister said: "We do not have a set position or a recommendation as yet." However, we have the minister's signature on a cabinet submission, and that included 61 specific recommendations. The minister's signature on that document, which seeks cabinet approval for the amendments, would seem to indicate to me that this government has very set views on this matter.

The Speaker: Would the member place her supplementary, please?

Mrs Witmer: The minister has indicated he is going to issue a discussion paper for 8 to 10 weeks. I would like to ask the minister, when will the discussion paper be released and will it contain all 61 recommendations?

Hon Mr Mackenzie: First, I think the member will recognize that any submission to cabinet to set up a discussion paper will have possible recommendations, will have options, will have directions the government may wish to take. I am also certain she will recognize that the intent of any consultation we set up is to see whether or not, given the kind of economic conditions that exist in this province of ours today, we can do anything that will replace the confrontational approach between business and labour that has been there for a good many years now in Ontario with a co-operative and consultative approach, which is exactly what this government is trying to do. One of the ways to do that is by making sure that you are going to involve workers and working people in the decisions that are going to affect them and the future of plants and jobs in this province, and that is exactly what we are trying to do.

Mrs Witmer: I am pleased the minister recognizes the uncertain business environment. Certainly we have no further wish to increase the confrontation. We are looking for consultation. But I want the minister to know that businesses across this province are forming coalitions to express their concern. They are telling the minister that these proposals are ill-timed and they could have very serious consequences on future business investment in the province. We have Project Economic Growth, with 100 businesses that are concerned. We have the More Jobs Coalition, with 40 companies. We have the All Business Coalition that represents 25 business associations.

The Speaker: Would the member place her supplementary, please?

Mrs Witmer: These companies are devoting a great deal of time and effort to get this government to listen to their concerns. They are concerned about the future of jobs in this province. What, if anything, will these changes the minister is proposing do to seriously create more investment and the much-needed jobs in this province?

Hon Mr Mackenzie: I want to tell the member that I welcome the forming together of the positions from any of the various groups she is talking about and any of the various coalitions that may organize on this. I would hope, however, she recognizes that to make the kind of changes we want to make in Ontario, it takes two to tango. You simply have to listen to what is there, present your views and then make sure you represent both sides of the equation, workers

and employers, in the discussions, because workers have a lot to contribute.

1440

LAKEFILL

Mrs Caplan: I know the Minister of the Environment is very embarrassed today with her announcement, as she should be. She has also been known over the years for her opposition to lakefilling. I remember over the course of time she asked many questions in this House on the subject and she even prepared a press release entitled "Fishable, Swimbable and Drinkable." This press release was tabled in May 1988 and it contains the following statement:

"Lakefilling has changed the shape of the shoreline. It has created bays where contaminated water is trapped and has reduced the wave action that previously scoured the area. The accumulation of sediments presents a serious problem and no level of government has yet addressed it."

That was in 1988. Will the minister tell the House today whether the practice of lakefilling ceased when she became minister last year?

Hon Mrs Grier: No, it did not because many projects were under way and being completed, but what has ceased is the wholesale approval of new lakefilling projects that change the shoreline, create embayments and trap contaminated sediments. What has changed is lakefill quality guidelines which will make sure that in the projects being completed, the fill that goes in is not contaminated.

Mrs Caplan: The truth is that since the minister took office, over a million cubic metres of lakefill have been dumped along the Toronto waterfront. There has been no sign that the activity is slowing down. In fact, it may increase in the wake of the Metro Toronto and Region Conservation Authority's East Point Park initiative.

This activity, I would suggest to the minister, is curious in light of what she has just said. The Crombie commission last week released its report entitled *Shoreline Regeneration for the Greater Toronto Bioregion*. The document contains extensive discussion on lakefilling and it has three recommendations. I would ask the minister today to consider those three recommendations: (1) a moratorium on new lakefill projects, which would allow operations to continue at existing sites, (2) increased restrictions on material used in lakefill and (3), which I know will appeal to the minister, an absolute ban on lakefill. Given the minister's past statements and her statement today, an obvious ban on lakefilling would be her choice.

The Speaker: Would the member conclude her question, please?

Mrs Caplan: In the interests of fairness, will she adopt the recommendation and when will the decision be announced? Because of her knowledge, I expect—

The Speaker: Order.

Interjections.

The Speaker: I appreciate the member's interest and the question was quite detailed. Perhaps on another occasion when we have extremely detailed questions, it might be better suited to the Orders and Notices paper. I am sure

all members are also aware of the fact that we are trying to conserve time.

Hon Mrs Grier: I will try to be as precise as possible. Let me assure the member that no final approval has been given for East Point Park with respect to lakefilling for that project. Second, let me point out to her that where a project had been begun, it would have been far more dangerous to the environment to suddenly stop with an unprotected edge of fill for those projects that were under way when I took office, as opposed to completing the contours and preventing further erosion of the fill. Third, I am sure the member and all members of this House are aware of this government's support for the recommendations of the Crombie commission. The recommendations in his shoreline regeneration report I have read with interest, and look forward to responding to specifically when we have had an opportunity to review them in detail.

LANDFILL SITES

Mr Stockwell: My question is to the minister responsible for the greater Toronto area. I have a letter from Metropolitan Toronto solicitor Ossie Doyle. He has reported to the Metropolitan works committee—I am not sure if it is in camera or not, but from the solicitor—outlining numerous statutory approvals and legal impediments involved with the extension of the Keele Valley landfill site.

Just to itemize a few, the minister has problems with Environmental Protection Act approvals, the Ontario Water Resources Act, the Aggregate Resources Act, the Lakes and Rivers Improvement Act, the Municipal Act, official plan amendment and zoning bylaw amendment under the Planning Act, approvals under the Regional Municipality of York Act, approvals under the Municipality of Metropolitan Toronto Act, the Metropolitan Toronto and Region Conservation Authority and Metro's contractual agreements with Vaughan.

These could tie up the expansion of Keele Valley for years and years and years. How does the minister propose to get past all these acts, some that were put in place to ensure environmental sensitivity, when approving specific projects? How is the minister going to get around the three to five years, potentially 10 years, of time taken up in the courts so she can have Keele Valley expanded so it can accept municipal waste in the not-too-distant future?

Hon Mrs Grier: I am sure the member has had an opportunity to review, if not memorize, my statement to the House earlier this year when I outlined the program of this government and the actions we would have to take in order to solve the long-standing crisis of GTA waste. I am pleased to be able to inform the member that omnibus legislation, in accordance with the policies I announced at that time, will be introduced in this House in this session.

Mr Stockwell: I find it unbelievable that the minister would legislate away every one of these acts. They are designed to protect neighbourhoods, regions and municipal governments maybe from environmental holocausts, for all we know, with respect to expansion of sites. The minister is not allowing one minute of hearings on either of these sites in Britannia or Keele Valley.

The most ironic part of all is that the solicitor of Metropolitan Toronto has suggested on the last page of his statement that if the minister introduces her environmental bill of rights—that joke she just came forward with here today about putting it off for a little while longer—her first piece of legislation will be to introduce her environmental bill of rights and her second piece will be to exempt Keele Valley and Britannia from it.

Is it not the ultimate hypocrisy for her to stand on this side of the House for five years crowing about an environmental bill of rights, introduce it, and in the very next piece of legislation exempt two sites with not a minute of environmental assessment hearing? How does she respond to the residents with that statement being made?

Hon Mrs Grier: I will not respond to the rather extravagant hypothetical question contained in the latter part of the member's question, but I would like to assure him, and I think he has known me long enough to know, that I take no pleasure in the actions I had to take to try to resolve the crisis we inherited. Emergency legislation in order to make sure there is not waste on the streets of Metropolitan Toronto is not something I do with relish, but something I do because it is environmentally safe and sound.

Interjections.

Mr Cousens: This is very upsetting.

The Speaker: Yes, indeed. We have managed to hit that first axiom again. There will always be questions we do not like and responses we do not like. I ask that members attempt to have a calm and reasoned approach to question period. It is time for a new question.

1450

GAS LEAK IN JARVIS

Mr Jamison: My question is for the Minister of Natural Resources. As he is aware, on Thursday, September 26, the city of Nanticoke initiated a state of emergency for the municipality of Jarvis due to a gas explosion and continued gas leaks. The entire town was evacuated. While all the residents have returned, there is still a number of outstanding issues, outlined in the council's resolution I sent yesterday to the minister. MNR and Ministry of the Environment experts were available onsite and were tremendously helpful with the emergency situation. Can we expect this help and expertise to continue?

Hon Mr Wildman: The member's concern for the people of Jarvis is certainly well known to me, as he raised these issues immediately at the time of the disaster, right after it happened and throughout the weekend. I know he has been involved with the municipality and the mayor in attempting to ensure that the concerns of the people of Nanticoke are resolved. As the member indicated, MNR staff have been onsite ever since the beginning of this situation and lending their expertise for the short term to the municipality.

With regard to the resolution passed by the municipality of Nanticoke, the Ministry of Natural Resources is leading the technical committee which will respond to the recommendations with regard to the short-term study, and

will assist the municipality in how to deal with the situation. We expect the interim report to be available on Friday and hope the final report for short-term measures will be available by the end of the month.

There are five members of the Ministry of Natural Resources staff assisting the municipality, in addition to staff from the Ministry of the Environment and the Ministry of the Solicitor General. The government is also considering how we will deal with the cost implications of the study by the technical committee.

Mr Jamison: This response has been swift and helpful. I would like to ensure this will continue as the situation moves into a preventive stage. It has been identified that the gas leak was a natural occurrence and that there is a potential that this could recur in the future. I would like to know what steps the ministry is taking to address the needs of this community.

Hon Mr Wildman: As the member knows, the Ministry of Natural Resources is co-ordinating the work on the long-term strategy involving the ministries of the Environment, Municipal Affairs and the Solicitor General. We will review the recommendations of the technical committee and determine how to implement its recommendations for the longer-term strategies to deal with the problems of naturally occurring gas leaks. As I said, we will be looking at the long-term funding implications and the sources of funding. The technical committee group will be meeting in the next day or two, and I will keep the member and the House informed of its progress.

ONTARIO HYDRO RATES

Mr McGuinty: My question is for the Minister of Energy. For some time now the minister has been pushing and shoving Bill 118 along; this in the face of overwhelming opposition we have heard from organizations such as the Municipal Electric Association, the Association of Major Power Consumers in Ontario and, perhaps more important, from ordinary ratepayers.

The time is certainly ripe for any kind of statement the minister might care to make. It was certainly ripe prior to the beginning of this question period.

In any event, the provisions the ratepayers are in opposition to are, first, that they allow the government to direct Hydro to do things that have no relation whatsoever to Hydro's mandate to supply power at cost and, second, that they allow this government to force Hydro to pay for some ratepayers to switch to natural gas at the expense of others who stay on the Hydro system.

In light of this overwhelming opposition, will the minister not concede that his bill is fundamentally flawed and either withdraw it completely or amend it to reflect the public will?

Hon Mr Ferguson: This bill was originally introduced for first reading back in June. After being appointed, I suggested I was prepared to consult and listen to all parties, all stakeholders affected. Having had the opportunity to speak and meet with the Municipal Electric Association, I had a much better appreciation and understanding of its concerns. They understood the government's position. Essentially, I asked the MEA, "What is the biggest

difficulty you have with this bill?" They replied they were concerned that the government, for example, could direct Ontario Hydro to assume the SkyDome debt. Any reasonable-minded individual would know that is not the intention of the bill. The intention of the bill is to direct Hydro in order to fulfil the mandate of the government of the day.

As a result, I have asked both opposition parties to permit me to take five minutes today to present some remarks and introduce some minor amendments that will be brought forth in committee, which will assure the MEA of its concerns as well as put to rest its fears about what might possibly happen and further clarify the government's position on this matter.

Mr McGuinty: It is indeed unfortunate that all we have is a hint of what the minister's intentions are when he could have seized the opportunity earlier today to advise us fully of his intentions.

We have another concern as ratepayers in this province in addition to our Bill 118 concerns. We are concerned about the track record this government has set with respect to its initiatives at Elliot Lake and Kapuskasing. How can this minister argue that \$65 million donated to the northern Ontario heritage fund is associated somehow with Hydro's mandate to supply power at cost? Our party is concerned that this behaviour might be repeated in the future.

Will the minister assure this House and the people of this province here and now that our Hydro bills will never again under this government reflect any costs other than those related to Hydro's fundamental mandate to supply us all with power at cost?

Hon Mr Ferguson: The purpose of this act is to bring Hydro under control and provide direction where in the past no direction whatever existed. The goal and objective of Hydro is to provide power at reasonable prices. Essentially, what has to be fundamental in Hydro's mind and in this government's mind is to obtain the best deal we possibly can on behalf of the ratepayers of Ontario. That is the goal, that is the objective and that is what we as a government are going to achieve.

REMARKS BY APPOINTEE TO POLICE SERVICES BOARD

Mr Runciman: My question is for the Solicitor General and concerns an NDP appointee to the police services board of Peel region. The minister's appointee, Mary Nnolim, in a recent Toronto Star article charged that Peel regional police routinely lie in court to protect fellow officers. The alleged comments of his appointee have, in the view of the police services board, "sullied the reputation of our police by calling into question the integrity of its police officers."

As the minister should know, the board has asked him under provisions of the Police Services Act to authorize an immediate investigation into this situation, and its request last week was endorsed by the Peel regional council. Could the minister tell us how and when he intends to respond to the request?

Hon Mr Pilkey: I have received an official request that the commission conduct an inquiry under section 25 of the Police Services Act, as has been indicated by the

member. I am pleased to inform him we are presently reviewing all the material we have received and as soon as a decision is made I will inform the member and this House.

Mr Runciman: I am not sure what information the minister has to review. He has had this request in front of him for more than a week. This is an NDP appointee who apparently has made some comments that are having a very negative impact on the Peel Region Police Force, and certainly the Peel regional council is very concerned about this as well.

The minister has the authority. I emphasize again that this is an NDP appointee. Many communities right across this province are concerned about individuals who will be appointed by this government to police services boards. It is sending out a very bad message not only to communities but to policemen and policewomen across this province. In my view he has an obligation to act quickly. If the minister deems that this individual did make these comments, in my view he has an obligation to remove her from office.

Hon Mr Pilkey: I agree with the member that there is an obligation to review. In fact, the matter will be reviewed, as I indicated. I will be pleased to report back the factual findings of the circumstance. I do not disagree with the member.

RENT REGULATION

Mrs Mathysen: My question is to the Minister of Housing. There are tenants in an apartment complex in the northeast part of my riding who have been battling their landlord for several years to have him comply with municipal work orders to bring the buildings into conformity with the Ontario Building Code. This highly publicized case has been dragging on for several years while the landlord has pursued a number of appeals of these city repair orders.

My question is on behalf of these tenants who feel they are fighting a losing battle in their attempts to force the landlord to accept his responsibility to the occupants of his buildings. Tragically, during this process they have met with derision, contempt and racial harassment. What is our government doing about new provisions for the enforcement of maintenance standards to remedy this situation?

Hon Ms Gigantes: In response to the question raised by the member for Middlesex, I would like to express my personal regret to those tenants that they have not, under existing legislation, been able to get satisfactory action from the government of Ontario.

We are going to be moving forward on the question of adequacy of maintenance. Within Bill 121 there are two provisions. The first says that if there are outstanding work orders, as there have been in this case, there will be no allowance for the landlord to increase rent while those work orders are outstanding. Second, under the new legislation, tenants will be able to make application to have the rent lowered where maintenance standards are not being met.

Mrs Mathysen: When can tenants look forward to this protection and what can they do in the meantime?

Hon Ms Gigantes: We will be bringing forward the legislation for clause-by-clause consideration early this fall. We hope to have it passed by Christmas and in place by relatively early in the new year, in the spring. In the meantime, I am going to go back over the file on this particular apartment complex and try to find out whether under existing legislation we can provide more effective enforcement for these tenants.

1500

SABRINA PANETTA

Mr McClelland: My question is for the Minister of Community and Social Services. I want to say at the outset, and reflect a sentiment that is written in editorials in my local newspaper and indeed is expressed by the family in question itself, that it is unfortunate a family has to take its personal tragedy to the press and make it public to deal with an issue. I am speaking of the Panetta family situation. Members will be aware of the case of young Sabrina Panetta, a nine-year-old who weighs some 16 pounds, whose physician has said she is terminally ill. She is on a day-to-day basis. Her physician has indicated the best hope for her to extend her short life is to do so at home. The minister has the power to do something about that.

I want to acknowledge the work done by my colleague the member for Yorkview. We went to the minister on a non-partisan basis and tried to establish an order in council that would allow this young child to die at home. I do not know how to put it more bluntly to the minister.

I have held this little child in my arms. I ask the minister if she is prepared to consider and to reconsider. She has the power to issue an order in council that would allow this little child to die at home with her parents, where they want her to be. What is the minister's response to that position I put to her?

Hon Ms Akande: Indeed it is a tragic case. It is a case about which we have been very concerned and the staff in the ministry have done a great deal of work. We have been in consultation with the doctor. We have been in consultation in terms of finding out from the doctor exactly what the bottom-line needs of this child are in order to ensure that if the child were taken home, she would not be at risk.

We have received a great deal of conflicting information. The member should recognize, though, that we already have in place services that are paid for, a housekeeper for that family. We have offered to this family to extend the special services at home to the fullest extent. We have offered the family placement in a group home near the family home so that in fact the child can be taken home for every weekend.

The Speaker: Order.

Hon Ms Akande: I will continue my answer after this.

Mr McClelland: What the minister has said she has done is all well and good. I appreciate that and the family appreciates it. That is not the issue at hand.

The issue at hand is this, and she has summarized it well: There are conflicting reports. But the family physician who has dealt with this child consistently over the past nine years since her birth says that one of the funda-

mental factors that has contributed to her wellbeing is the care and the nurturing she receives at home. That is undisputed evidence from that physician.

I have a letter here that was sent to the minister on September 26. So that it does not get bogged down, I am going to ask one of the pages to bring it over to her. I want the minister to read the letter. It is from the Panetta family. They say to the minister: Please take time out of your busy schedule, contact the doctor and find out the facts from the child's physician personally.

There is also a letter here which says as follows, "Premier Bob, why can't the province of Ontario grant my daughter's only wish when it is within your power to do so?" This is a nine-year-old child who is literally living day to day. Weekends are meaningless at this point in time.

I urge the minister, I implore the minister to personally look into this matter and not to leave it with her staff. Some of her staff were very concerned about this and they have been sidetracked. They have been pushed off the case. I wonder why. I will leave that for the minister to determine. Would the minister look at it, please? Would the minister talk to the family, talk to the physicians? The minister has the power to do something about it. The minister and her staff are the people who stood there and said they care about people.

Indeed, in her answer just a short while ago, the minister said her job was to help people. Here is a nine-year-old child who needs the minister's help, and the Premier's. The minister can do it. She should do it.

Hon Ms Akande: That child is indeed receiving our attention. As a matter of fact, rather than staff being sidetracked, more staff have been added to the focus. The important issue here, in terms of the confusion of medical information, is that we must be absolutely certain this child is not at greater risk if taken out of the hospital. We have no confirming information from the medical practitioner that will allow us to believe that. We have asked for it repeatedly.

In addition to that, in order to assure this family and to give it all the support we have, we have also promised that if we had that confirming information, we would do whatever we could to support this child's being at home as much as possible. If the member has information which will confirm this situation, I suggest he make it available to me.

TVONTARIO

Mrs Marland: My question is for the Minister of Culture and Communications. Yesterday TVOntario's chairman and CEO, Bernard Ostry, offered his resignation and the minister accepted it. When asked at her press conference about a severance package for Mr Ostry, the minister said the matter had not been discussed. Given the litany of excesses at TVOntario under Mr Ostry's leadership—\$35,000 for nine televisions, \$1,800 for parties at his home, \$607 for a dinner party for three people—I would suggest that Mr Ostry has already helped himself to his severance benefits. Taxpayers should not have to provide him with a severance package.

What does the contract say for Mr Ostry—I do not want the minister to hide behind the Freedom of Information and Protection of Privacy Act—and is the minister going to give him some kind of sweetheart deal, or will the minister promise the people of Ontario that she will not in fact give him a further severance package?

Hon Mrs Haslam: I can assure the honourable member that there is no settlement package from the Ontario government, commonly called the “golden handshake.” While the member might not want to be governed by the freedom of information act, I on the other hand must be. I can assure the member I take very seriously the position of the taxpayers in this option.

1510

Mrs Marland: If this minister took very seriously the position of the taxpayers, she would not be allowing Mr Ostry to stay on for another two and a half months.

I am also concerned about the response of the TVO board of directors on this whole issue. On the one hand, we have the TVO board of directors supporting the excesses and actions of their chairman, Mr Ostry. On the other hand, we have the auditor saying, “Several of our findings prompt questions as to the adequacy of administrative practices, in particular those related to the feasibility of major projects and the exercise of prudence concerning travel and other business expenses.”

Also, the director of finance for TVOntario said: “For the third year in a row, there has been inadequate planning and control in the management of leasehold projects. Firm estimates have not been obtained for projects, nor have the expenditures been monitored. Consequently the actual information is available after the fact, which can cause potential overruns.”

Given this information, a board that continues to show strong support for a chairman who had to resign obviously is not a board that I would expect this minister to support. Does the minister support a board that obviously does not know what is going on, or is she going to ask for the resignation of those board members?

Hon Mrs Haslam: This is amazing. First the member says, “Would Mr Ostry please resign.” Mr Ostry has resigned. Now she wants the entire board to resign. If the member wants blood, she should go to a slaughterhouse. That is not my style. I have every confidence in the board. This is a healing process and I intend to work with that board.

Interjections.

The Speaker: Order.

ROAD CONSTRUCTION

Mr Hansen: My question is for the Minister of Transportation. Residents in my riding are concerned about the traffic congestion on residential streets caused by trucks bypassing the Queen Elizabeth Way. For many years now, the town of Grimsby has requested that the MTO extend Clarke Street from Nelles Road easterly to Book Road to ease traffic congestion. What attention is the minister giving this matter?

Hon Mr Pouliot: Mr Speaker, I had, and understandably so, with respect, some difficulties hearing the question. I believe the member was concerned about the situation that actually concerns all of us, that of Grimsby.

I appreciate the member for Lincoln’s diligence regarding this matter, and yes, we are right on top of the issue. I have asked our parliamentary assistant, the member for Windsor-Sandwich, along with MTO officials, to meet as soon as possible with the mayor of Grimsby, his worship Nicholas Andreychuk, to look at the situation with the understanding that the township of Grimsby will be the proponent of any new road construction. Therefore, we encourage them to seek our expertise, to seek our reputation in terms of road construction.

Interjections.

Hon Mr Pouliot: The point is very well taken. I do apologize for the noise around us. Standing order 20(b) should have allowed me better time to present. Thank you kindly, Mr Speaker.

TUITION FEES

Mr Daigeler: I appreciate that I still get an opportunity to ask my question, even though, Mr Speaker, I would appreciate perhaps that in future question periods you would be a little bit tougher on the amount of time being used by the members to pose their questions or for the replies by the ministers.

My question is to the Minister of Colleges and Universities. In a recent letter to the minister, the Ontario Federation of Students had this to say about his leadership:

“Frankly, Dr Allen, Ontario students expected a great deal more from you and your government. When you increased tuition fees in violation of your own party’s policy, we were disappointed. When you threaten to take away what little funding you have promised us, we are outraged.”

The students are very concerned that the minister will hit them with a major tuition fee increase soon. Traditionally in this province, as the minister will know, tuition fee increases were tied to the increase in transfer payments. Can the minister confirm today that this policy will be maintained? In other words, can he confirm that tuition fees will rise by only 2% if transfer payments will increase by only 2%, as the minister has advised the university presidents?

Hon Mr Allen: I would ask the member to do his own research as to the performance of the minister and the ministry over the past year. He might come to a slightly different conclusion than the students he has quoted. Indeed in that respect, I met, for the first time of any Minister of Colleges and Universities, with all the representatives of all the student councils of all the universities of Ontario for a full day to discuss their concerns with them. We went over this question in great detail.

What I want to say to the member in regard to that and what I want to say to the students is that inasmuch as we have not completed our evaluation of the circumstances of the system at this point in time vis-à-vis our revenues and our capacity to respond, therefore it is not possible for me at this point to confirm any policy with regard to tuition fees.

Mr Eves: On a point of personal privilege, Mr Speaker: On behalf of the Minister of Energy, perhaps the Speaker could inquire whether the tirade by the Minister of Culture and Communications did any permanent damage. None is apparent, but—

The Speaker: Point of order?

Hon Mr Ferguson: If I might, Mr Speaker, very briefly, I am going to send the honourable member one of the new energy-efficient light bulbs that we have for one of the brightest comments we have heard in this Legislature in quite some time.

The Speaker: Who said this is not good theatre?

I have had an opportunity to review Hansard from Thursday last, and under the circumstances which resulted from question period, I will now allow the member for Parkdale to pose a question to the minister concerned.

EXPO 98

Mr Ruprecht: This is directed to the Minister of Tourism and Recreation. One of the fundamental rights that we have and must maintain as members of Parliament is to ensure that we can ask questions on commitments by this government in questions of tax incentives or whatever that has to do with money that is being spent.

The Minister of Tourism and Recreation to this point has not come clean and told this Legislature just how much money he has committed to help Expo 98, how this money is going to be spent and whether provincial investigators and inspectors will be hired. All we know is what the minister has decided to drop while he is walking down the hall or what we read in the press in terms of rumours and innuendo.

I ask the minister today to make a statement in this House and tell us specifically what he has in mind so that we are informed as well.

Hon Mr North: At this point, what I can tell the member across the floor is that we are going to spend \$400,000.

Mr Ruprecht: As the minister can see, that may not be good enough. As he knows, Metro council recently made a decision, last Wednesday. They made clear what they are going to spend: \$150,000, specifically itemized, and \$250,000 five weeks from now.

The Minister of Tourism and Recreation comes to the House today, after having had notice over months to tell this House specifically how he will allocate this money. I think we have a right in this Legislature to know specifically about the innuendoes in the press where the minister has said he is going to hire a host of investigators to co-ordinate the finances among three levels of government. I want to know, and we have the right to know today, is he spending that \$400,000 on a host of investigators or will he spend that \$400,000 specifically on Expo 98?

1520

Hon Mr North: I would like to tell the member across the floor that I do not put out innuendoes or any of these things. He has spent a lot of time, wind and water filling up this House with all kinds of statements about

whether or not we are hiding. It is innuendo this, innuendo that.

The bottom line is, at this point we are going to spend \$400,000. We have put together a fairly decent bid, I believe. We have put together partners, for the first time, on a decent bid. We have got partners from all three levels of government. We have partners from the private sector. We have Max Beck, who runs Ontario Place, who incidentally is the man who is co-ordinating all of this at this point, and we have a lot of good things happening.

If the member thinks there is some value in bringing this to the House every other day and making a big thing out of it, fine. I hope he enjoys it. It is good for his politics. That is great. The bottom line here is, we put together a very good bid and I see it going together well. We are after the bid and we wish to win it.

PETITIONS

NURSING HOMES

Mr Daigeler: I have a petition here signed by some 19 residents of the Ottawa-Carleton area. They came together some two weeks ago at a rally of 900 people, very concerned about the lack of funding for nursing homes in this province. They have asked me to put forward this petition:

"We, the undersigned, request that the government of Ontario immediately rectify the inequity in funding between nursing homes and homes for the aged. We strongly support the Ontario Nursing Home Association in their efforts to provide better care for nursing home residents through increased funding."

I am pleased to sign this petition.

Mrs Y. O'Neill: I too have a petition with 19 names, and I would like to affix my name as well.

"We, the undersigned, request that the government of Ontario immediately rectify the inequity in funding between nursing homes and homes for the aged. We strongly support the Ontario Nursing Home Association in their efforts to provide better care for nursing home residents through increased funding."

OATH OF ALLEGIANCE

Mr J. Wilson: I have the privilege of presenting a petition to the Legislature of Ontario that reads as follows:

"Whereas the Queen of Canada has long been a symbol of national unity for Canadians from all walks of life and from all ethnic backgrounds; and

"Whereas the people of Canada are currently facing a constitutional crisis which could potentially result in the breakup of the federation and are in need of unifying symbols;

"We, the undersigned, respectfully petition the Legislative Assembly of Ontario to restore the oath to the Queen for Ontario police officers."

That is signed by some 50 residents in my riding of Simcoe West in the towns of Wasaga Beach and Stayner, the village of Angus and the townships of Sunnidale, Essa and Nottawasaga, and I too affix my name to this petition.

NURSING HOMES

Mr Grandmaître: I also have a petition:

"We, the undersigned, request that the government of Ontario immediately rectify the inequity in funding between nursing homes and homes for the aged. We strongly support the Ontario Nursing Home Association in their efforts to provide better care for nursing home residents through increased funding."

I have signed this petition.

OATH OF ALLEGIANCE

Mrs Sullivan: I have a petition to the Legislative Assembly of Ontario reading as follows:

"Whereas Her Majesty the Queen at her coronation in 1953 took a personal oath to the people of Canada, and Canadians have always reciprocated with oaths of allegiance in service to the people of the sovereign; and

"Whereas it is our right and duty to take oaths of allegiance in service in such form; and

"Whereas Ontario regulation 144/91 made under the Police Services Act, 1990, denies Ontarians this right;

"We, the undersigned residents of Ontario, loyal to Her Majesty Queen Elizabeth II, Queen of Canada, petition the Legislative Assembly of Ontario to resolve that His Honour the Lieutenant Governor in Council be requested to revoke Ontario regulation 144/91 and restore the traditional oath of service to Her Majesty for police personnel in Ontario."

I have affixed my signature to this petition.

ORDERS OF THE DAY

POWER CORPORATION AMENDMENT ACT, 1991

LOI DE 1991 MODIFIANT LA LOI SUR LA SOCIÉTÉ DE L'ÉLECTRICITÉ

Resuming the adjourned debate on the motion for second reading of Bill 118, An Act to amend the Power Corporation Act.

Suite du débat ajourné sur la motion visant la deuxième lecture du projet de loi 118, Loi modifiant la Loi sur la Société de l'électricité.

The Speaker: When we left off last day, the member for Brampton North had the floor.

Mr McGuinty: That is correct, Mr Speaker. He had every intention of continuing speaking to the matter today and we are just making efforts now to bring him in.

The Speaker: Do we have unanimous agreement to wait for a moment?

Agreed to.

Hon Mr Cooke: Perhaps the more appropriate way to go would be to allow our member to speak and we will agree to give the floor back to the member when the member for Victoria-Haliburton has completed.

The Speaker: Okay.

Mr Drainville: It gives me a great deal of pleasure to rise in the House today to speak on Bill 118, An Act to amend the Power Corporation Act.

Last week we heard from a number of members in this House, and in that period of time there were many ques-

tions that came up about the rationale of why the government was approaching this particular bill in this particular way. There were also criticisms, if I might say, about the government's approach, and its lack of consultation I believe has been raised by a number of members.

I have to say that consultation, at least in the parliamentary forum, is not something that just happens before the drafting of a bill, but rather also something that happens when the bill is coming before Parliament and when it goes into committee stage and afterwards. In terms of that consultation, we have been very responsive, I believe, as a government to the criticisms that have been put forward, as well as to the comments that have been made by the general public on where we can increase the bill's effectiveness. I would like to talk a little bit about that as I begin my remarks today.

There has been considerable concern and indeed misunderstanding about the scope and nature of provisions in Bill 118 regarding policy directives of this government. During the committee stages of this bill, it is the government's intention to move changes that will address this misunderstanding and will clarify the government's intentions.

The key to Ontario's new energy future is the implementation of the government's new energy directions. The primary goal of these new directions is to protect the environment while ensuring that the province continues to have a reliable supply of energy at reasonable prices.

Ontario Hydro has a unique role in helping the government meet new energy policy objectives. Ontario Hydro and the government must work together to meet the commitment to concentrate more of our resources on controlling growth in the demand for energy and to ensure that we use energy efficiently.

The changes that will be moved during committee will make it clear that the intent and the purpose of the legislation is to provide the framework for this new partnership and to remove the barriers to the implementation of new energy directions. The changes will ensure that the government's policy directives will be applied to matters within the scope and the mandate of Ontario Hydro as set out in the Power Corporation Act.

It is my understanding that the government proposes to change sections 2 and 6 of the bill to make it perfectly clear that any policy directives that are issued must relate to the corporation's exercise of its powers and duties under the act and not lead to an extension of those powers and duties by means of government directives.

The government shall also move some minor wording changes to section 4 of the bill, dealing with the substitution of other forms of energy for electrical energy. These changes will clarify the government's intentions and address the misunderstandings surrounding this matter.

Fuel substitution is an important element in the government's strategy to make Ontario more energy-efficient. The government is determined to proceed with amendments to the act that will enable Ontario Hydro to encourage—

1530

The Speaker: The member for Victoria-Haliburton, sorry to stop you in midflight, but we have a point of order.

Mr McGuinty: On a point of order, Mr Speaker: I appreciate the member's comments, but they are more appropriately delivered by the minister in the form of a ministerial statement. That is the exact information we were seeking earlier today. It is unfortunate it is being given at this time by the member and not by the minister so that I could properly respond to it.

The Speaker: We are in second reading debate, I understand, and all members of the House have an opportunity to contribute their ideas and thoughts, unless I have misunderstood the member's point of order.

Mr Conway: On that point of order, Mr Speaker: I was in the lobby for a brief moment, but I think the member's point of order has to do with the fact that what we are getting now are amendments to a central piece of legislation, and those amendments can only be moved by either the responsible minister or his parliamentary assistant. I have a great deal of regard for the member for Victoria-Haliburton, but in this case I do not think he is either.

Mr Drainville: If I might clarify the situation, I have discussed this with both the parliamentary assistant and the minister in terms of the remarks I was going to be making today. This is not moving the amendments; rather, it is giving indications of the government's goodwill about some of the criticisms and some of the issues that have been raised. If the honourable members think that is anything except food for discussion, I am sorry, they will have to take that up with the minister. But I believe it is my prerogative as a member of the House, in discussion with the minister, to bring forth these comments.

The Speaker: I appreciate the point raised by the member for Renfrew North. I was listening carefully to the member for Victoria-Haliburton, who spoke about amendments which will be placed, it is his understanding, when the House is in committee. There is nothing out of order about any member speaking about items which will subsequently be placed as amendments, provided the member does not attempt to move them as amendments during second reading debate.

Mr Conway: If I might speak to that, Mr Speaker: I do not intend to prolong this, but I will certainly be spending a lot of time over the next 12 hours to prepare a point of order for tomorrow. I have been here 16 years and I have heard a lot of interesting things procedurally, but never this.

We are all aware that the government is planning to make some changes, and I respect that. Our standing orders provide ministerial statements. Ministers are getting up all the time and indicating changes or additions to policy. I am simply making the point, and I will say this and sit down: Never in 16 years in this Legislature have I been witness to a situation where government policy, in this case significant government policy, is being changed and the first word the House hears of that change is from nei-

ther the leader of the government nor the responsible minister but, in this case, the estimable member for Victoria-Haliburton, who is neither Minister of Energy nor parliamentary assistant. I think that is a first in the annals of the Legislature. It is something I want to spend some time researching over the course of the next 12 hours.

Hon Mr Cooke: I would like to respond. I am out of breath because I saw the member on the floor on the TV downstairs. I think he knows—I certainly know his House leader knows—that we discussed this matter yesterday in a House leaders' meeting. I indicated that we were going to make a request today, when the debate on this bill resumed, for the minister to make a statement, and I was asking the two opposition House leaders for unanimous consent so that could be done by the minister. We needed unanimous consent because the minister had already spoken on leadoff on this bill.

The policy initiatives referred to by the member have already been communicated to the opposition parties. I was informed today just before question period by the House leader for the official opposition that he would not grant unanimous consent. The third party agreed that it would grant unanimous consent. So the only way we could communicate this matter during the debate on Bill 118, which is the appropriate time to do it, was with the member who has just spoken.

I think we made our best effort to communicate to the Legislature quickly and promptly, but I cannot do it the way the member for Renfrew North refers to if I cannot have the co-operation of the official opposition. If it does not want to co-operate, we had to try to communicate it some way, and I think this was the appropriate way to do it.

Mr Conway: On that point, Mr Speaker, if I might, I want to raise this additional point: The member for Windsor-Riverside knows perfectly well that the standing orders of this Legislature provide something called ministerial statements. This afternoon there were some six to seven minutes left in the time ordinarily allotted to the Treasury bench for ministerial statements. It is absolutely the case that this is the more appropriate way to have announced what the government wants to announce.

He is quite right that I am the person denying unanimous consent. The reason I will deny him unanimous consent in this fashion is that we are about to get a major policy announcement from the government. In my view, that should come from the responsible minister. Failing that, it should come from his parliamentary assistant. Without any doubt, it seems to me, it should come first as a ministerial statement. There was sufficient time remaining today after the Treasurer and the other minister spoke in that period. I might add that the responsible minister has been questioned on two or three occasions in the last 25 or 26 hours. He made absolutely no hint of the change that the member for Victoria-Haliburton is now about to introduce.

Again, my point is that, in my view, it is not appropriate and, I think, out of order for a private member—an outstanding private member none the less—to advance government policy, particularly significant changes in

government policy, as a first order of business without the minister or the parliamentary assistant hinting that the change was about to be made.

I find it additionally peculiar that we should be engaged in this kind of chicanery in the context of a bill where the government says it wants both energy policy and Hydro itself to be more public and more accountable. What they want to do is announce a major change in the direction of their Hydro policy. That is their right. I respectfully submit to you, sir, that the better way is to do it in ministerial statements. They had six minutes of that today that they chose not to use. Never in 16 years have I ever known a private member just willy-nilly, in the course of a routine debate on behalf of the government of which he is not a cabinet minister, to make a significant policy announcement first.

The Speaker: Rather than debate the point of order that was raised, I take seriously the matter the member raises. If I understood him properly, he volunteered to do a bit of work on this. I will be reviewing Hansard. I will be reviewing the events that have unfolded this afternoon. If the member for Renfrew North or any other member of the House would like to provide some thoughts on the matter, I would be delighted to receive them.

Perhaps at this juncture we could continue. The understanding was that the member for Victoria-Haliburton will have the floor until the member for Brampton North reappears. He would then wind up his remarks and the member for Brampton North would have the floor, because he had it on the previous occasion.

Mr Bradley: On a point of order, Mr Speaker: I know how carefully you observe what goes on in the House. During the period for responses to the statements made by government, because I did not want to be out of order, I made allusion to the fact that we were expecting a statement from the Minister of Energy which would be a fundamental, substantial change in a bill that has been put before the Legislature. Even if it required the extension of the period of time for ministers' statements, we as the opposition and I as House leader were quite willing to agree to that.

1540

What has happened, quite obviously, Mr Speaker—I do not ask you to necessarily make a judgement on this—is that the government is embarrassed by its retreat on this bill and has decided it wants to do it through the back door at a time later on, when the news media are gone, when they are not in the press gallery. We have seen examples of it happening: An announcement the member for Mississauga South was involved in was made in a press conference downstairs. But now, when there is bad news in the minds of some, good news in the minds of others, but bad news for the government because it has to retreat, it wants to retreat to a position where it has a private member—a backbencher, even though he is sitting in the front benches—make an announcement of government policy at 3:40 in the afternoon, when no media are around here.

Mr Elston: On a point of order, Mr Speaker.

The Speaker: On the same point of order?

Mr Elston: Not quite on the same point, Mr Speaker. It is with respect to whether it is within the ambit of the member for Victoria-Haliburton to carry on debate at this time when he is privy to knowledge that the rest of the members, backbench members and the rest of the House, are not privy to. He has been given advance notification of material which should have been made available to us. With an advantage that is, to us, substantial, he is going to enter the debate. It will not allow us as members to either counter or agree with his assertions, because there is nothing in our hands that would allow us to deal effectively with the points he raises.

The whole issue of inside information has afflicted this administration from almost the very moment of its inception. We had it with respect to the leak of prior information to Mr Hinkley in Hamilton, now a mayoral candidate, where he got information about the Red Hill Creek Expressway which of course put him and his colleagues in the New Democratic caucus of the Hamilton city council at an unfair advantage. We have had it with respect to other materials in this government's administration. Here we have it now, where the minister has been questioned in this House this very day by our critic, the member for Ottawa South, who has received not a hint that there are substantial changes or, if I were to agree with the government House leader, the fine-tuning now alluded to—not only alluded to but asserted by the member for Victoria-Haliburton.

How unfair this type of operation is to our House is without precedent. It is a very unkind act this administration has done to the people when we are dealing with a fundamental difference of opinion about how Bill 118 will affect the current and the about-to-be-formulated policy with respect to energy consumption in Ontario. What is more important for us is that we have been told that a set of facts exist under the current Bill 118 which promote increased costs for energy consumers, particularly electrical energy consumers, as they are fully subject to the new implemented programs of Hydro under the auspices of this New Democratic government.

How we can be expected as members of the Legislative Assembly to defend both the taxpayers of this province and the ratepayers of Ontario Hydro under yet-to-be-announced or made-public amendments to this series of amendments is beyond me. In that way, my point should have been a point of privilege. My privileges as a member have in fact been violated by this type of government activity.

I have been willing, and I have spoken it most often, to co-operate with this administration to pursue the business of the province on a cordial and co-operative basis, but if this is the way in which the government pretends to treat us as opposition people who are required to defend the public, then we cannot but fail to co-operate when the time comes. How can they spring this stuff on us in the middle of a day when this was well established last week to be a debating day for Bill 118?

Hon Mr Cooke: No, it wasn't. You changed it because your Labour critic can't be here. Get your facts straight.

Mr Elston: When they change their direction, things do not amount to being fair ball.

I have to apologize to the member. Our Labour critic is ill, and that is one of the reasons this is reprogrammed, but it still does not alleviate the necessity for us to know what the government pretends it will next do with this legislation, so that we can carry on a reasonable debate. That is the point. I think it will not be fair for that member to carry on, nor will it be fair for any of those members over there who have advance notice of what that government is doing, to our disadvantage. I think those members should uphold our rights as the minority to make sure that our privileges are not breached because of this transgression by that administration.

Hon Mr Cooke: Mr Speaker, there has been an accusation made—

Mrs Marland: It's our turn.

The Speaker: Whoa. Just a minute, before we get too carried away here. I am listening carefully to the points of order. I would appreciate if there is any new material that would assist the Speaker, I would be pleased to hear it. But I have mentioned—I realize some members were not in the House at the time—that I will reserve judgement on this. I have taken the point seriously. I think it is my responsibility to try and get the debate rolling again and to recognize the member for Brampton North. If there is additional information from the member for Mississauga South, I have not heard from the third party yet.

Mrs Marland: On the same point of order, Mr Speaker, I realize that the member for Victoria-Haliburton has been put in a difficult position by his government. The fact is that because of a rescheduling of House business today, we are here to debate Bill 118. However, apparently the government policy as prescribed in that piece of legislation now is going to be radically changed, and if that is the case, then we are no longer here as opposition members debating Bill 118 as we know it in its printed format on the floor of the House. So personally I take very strong exception on behalf of our caucus to this avenue we are now walking down with this socialist government.

Hon Mr Cooke: That is not what your House leader said.

Mrs Marland: I think it is really unfair, and I say to the government House leader who is contradicting me as I speak, which is a great courtesy on his part, that we are in a position here where we are ready to debate Bill 118. We have not given unanimous agreement for the Minister of Energy to bring in an amendment and we certainly have not agreed that a backbencher, which I say with due respect to the member for Victoria-Haliburton, now be the messenger.

I am not about to kill the messenger, but I certainly think this government makes a mockery of the traditions of Parliament and the rules of procedure. If they want to make a major amendment to this garbage piece of legislation known as Bill 118, then why do they not do it properly? But as has been said by other members of the opposition, what we are now entertaining this afternoon is totally unacceptable. It is also unprecedented, and I would

ask you, Mr Speaker, to rule on whether or not the statement from the member for Victoria-Haliburton on Bill 118 is in order, in light of the fact that those areas to which he is now speaking are not in fact contained in that bill today.

The Speaker: On that same point of order, the government House leader.

Hon Mr Cooke: Very briefly, Mr Speaker, I just think it is important, because of the points the leader of the official opposition has raised, to make a couple of things clear to you when you are determining whether this is an appropriate point of order or not.

I met with the opposition House leaders and shared the information with regard to Bill 118 with both opposition House leaders at 5 pm yesterday afternoon, so any accusation in this House that there are some games up and that we are not sharing information with the opposition parties is really unfair of the leader of the official opposition. I shared that information with him yesterday, about an hour after I was informed, as government House leader, about the changes that were going to be announced with regard to Bill 118.

I then asked, since we could not do Bill 70 today because the Labour critic for the Liberal Party is ill, if we could do Bill 118, and I asked if the minister could make a statement at the beginning, since we were debating Bill 118, indicating some changes, not radical changes but some changes to the bill in response to the Municipal Electric Association.

Both opposition House leaders said to me that they would discuss the matter with their caucuses today and get back to me with regard to unanimous consent. The House leader for the third party called me at the lunch hour and indicated that his caucus agreed with unanimous consent. That was the phone call I got from the member's House leader.

1550

Then the House leader for the official opposition came to me at approximately 1:40 and indicated to me that they did not agree with unanimous consent and thought instead that we should do a ministerial statement. A ministerial statement could not be prepared at 1:40 and properly distributed in accordance with the rules, so the best way to do it and the only way we could do it to inform the House was the way the caucus proposed.

I take the criticisms from the official opposition party very seriously, and I can assure the official opposition that we will not do this again. We will make sure that it be done outside the Legislature if they will not agree to have it done by unanimous consent in the House.

Mr Conway: On that point, I want to make a final observation. I have to pay due regard to what my friend the member for Windsor-Riverside has said. I was not at the meeting. I know some of the instructions, and I am very pleased to see the member for St Catharines here, because on the basis of what I know, I think the member for Windsor-Riverside has, and not for the first time in my experience, presented a highly personalized and very idiosyncratic version of the truth.

The Speaker: If there is new information, the member for Brampton North.

Mr McClelland: I want to comment if I may. You asked for some assistance, Mr Speaker. In my own humble way I will attempt to do that on two points, first on a point of privilege and second in terms of a point of order, on which I would ask you, if necessary, perhaps to recess and rule.

On a point of privilege: I had adjourned the debate on 23 September and accordingly, but for the fact that I was detained outside, I would have commenced the debate this afternoon.

I am a private member who has a responsibility to represent the people of Brampton North, who have entrusted me to do that. I have a broader responsibility in terms of my exercise of that responsibility in this Legislative Assembly to respond to legislation that will dramatically impact this province for some time to come. It has significant implications to many many people. My responsibility and my privilege, entrusted in me by my seat in this House and by the people of Brampton North, are to comment and to do so on an informed basis, as is customary and expected in the parliamentary process.

We are here today in a position where I am to resume the adjourned debate and respond to a statement given by a member which I have not had an opportunity to review, which is to be considered in the context of the debate that I have the privilege of continuing. I would suggest to you, Mr Speaker, that my privilege to continue effectively and responsibly in dealing with this has been breached.

On a point of order: Surely, given that the minister was here today and had the opportunity to put a statement forward and to provide us with the framework within which I could at least respond and perhaps if necessary change the comments, and perhaps even be persuaded that maybe my view was not entirely correct—indeed, how could it be, if this is a substantive change?

The government House leader says it is a small, cosmetic change. I happen to have a different opinion, and I am entitled to have that opinion, I say with respect, Mr Speaker. I suggest to you that it is a matter of, first, order and, second, privilege. I put to you that if we were to proceed without the minister's statement, my privilege as a member to continue this debate effectively is being violated, and I ask you to rule on that, Mr Speaker.

The Speaker: With respect, I have heard a lot of information, which I am very pleased to receive.

Mrs Marland: On a point of privilege, Mr Speaker—

The Speaker: If there is new information, fine. Otherwise I can reserve on this and we can move on and recognize the member for Brampton North to continue the debate.

Mr Eves: On a point of order, Mr Speaker: I would just like to reiterate what was my understanding of the House leaders' meeting that I went to.

I think the government House leader is quite correct in stating that he brought forth this information at 5 pm yesterday and asked the two opposition parties if we would agree to revert by unanimous consent to have the minis-

ter—nobody else—bring forward some statement as to how he was going to address a resolution and some concerns that the Municipal Electric Association had at a meeting I believe it had this past Sunday.

We on our part agreed that we would give unanimous consent, provided that both opposition critics also had an opportunity to respond with equal time and thus speak twice on second reading debate. We also indicated that during ministerial statements would be the most appropriate time for the minister to make such a statement. There was some concern apparently whether the minister would be here today in time. I note that the minister did make it for question period today.

The only point I would like to make is that surely the most appropriate time would have been during ministerial statements. That is why we have provisions for them in our standing orders. There was ample time today for the minister to have made such a statement and for replies by both opposition parties. I just think that perhaps in the future—we have learned a lesson here—we can all abide by the standing orders that we have all, by consensus, agreed to have in the first place. That is the purpose of ministerial statements and responses.

The only thing I do not think was appropriate on the part of the government House leader was the fact that he indicated that in the future we will just do it outside this chamber. That is not the point; I think he has missed the point. The point is that there is a period of time called ministerial statements and there is a period of time for responses. There are rules that all three parties have agreed to by consensus. I would suggest that we just put this behind us and get on with the business of the House.

Mr Bradley: There is a different version of history, or interpretation of history perhaps is a better way of putting it, by the government House leader than by myself on what took place at the meeting. The member for Parry Sound may speak for the Progressive Conservative Party; he does not speak for me.

My understanding was that the government House leader presented a piece of paper at the meeting which was from the Municipal Electric Association, I believe, and said, "We would like to introduce some amendments in compliance with this demand from the Municipal Electric Association."

I indicated at that time that the government has the right to make any amendments it wanted but, when asked about when it should be done, clearly indicated that the best time to do it was during the time allotted for ministerial statements and that if additional time were required, we would give additional time if the government had other statements. I did not even indicate that we would be wanting extra time for response on our part. I also indicated I would discuss this with our caucus this morning, which I did.

It is our view, as I have expressed earlier, that a significant change of government policy—as I interpret this to be; the government may not—a significant change in a bill and a significant change in policy should in fact be announced in the period for ministerial statements, when the news media are all here, when the action is taking place in

the Legislative Assembly, instead of being left until later on in the afternoon.

Members can see there is nobody at all in the press gallery right now, there are only a few people in the public galleries and it is an excellent time for a government to sneak changes through if it wants to. I am not saying this government is doing that; I am saying it is an excellent opportunity for a government to do that. I would not want to suggest that motive for this government, but certainly that is a conclusion that some would draw.

If the minister were to stand up in the House and announce these changes to his legislation in a public way tomorrow, I would be more than happy to see that happen. If it took additional time tomorrow for ministerial statements, on behalf of our party, I would be happy to allow additional time for that purpose. What I am concerned about is that, when it has something embarrassing, the government tries to do it somewhere else—later on in question period, gets a private member to do it, a press conference or out in Mississauga.

The Speaker: New information? The member for Mississauga South.

Mrs Marland: On a point of privilege, Mr Speaker: The government House leader had the arrogance to say a few minutes ago that the member for Mississauga South was wrong in her recollection of what the House leaders had agreed to. I would appreciate the government House leader's apologizing to me since he has now heard what the agreement was. The agreement was for the minister to make the statement in the ministerial statements period of routine proceedings in the afternoon.

I think it is impossible for us to continue to debate Bill 118 this afternoon when we do not have the opportunity to have a copy of the speech of the member for Victoria-Haliburton, which is bringing into this House an initiative and a change in policy as contained in Bill 118, the bill we are familiar with, which we were willing to come into this House this afternoon to debate.

Mr Speaker, I would appreciate your ruling on what exactly is the bill that we will be debating this afternoon, with or without the change in policy of this socialist government.

The Speaker: This is new information. The member for Halton Centre on the same point.

Mrs Sullivan: Mr Speaker, I am rising on a point of privilege. I believe that my privileges as a member of the Legislature have been breached. I intend to speak on this bill and participate in the debate on Bill 118, and in order to do so, I need full and complete detail on the government's policy and approach on this particular issue.

To date, the government has officially made that known through the introduction of Bill 118, which is what we are debating to this point, but what we are hearing today is not from a member of the executive council who participated in setting that policy and introducing that legislation, but from a member of the caucus who is not a part of government. I think it should be recognized that the government introduces the bills, which are public bills. This member is not a part of that government.

What the member appears to be telling us is that the government has a significant change in its direction on this bill. However, those changes he is discussing are not being presented to us by government. In effect, a member of this chamber who is not a part of this government has been privy to information in advance of other members of this chamber.

I believe that is a breach of my privileges as a member, and indeed a breach of the privileges of all the other members of this chamber.

The Speaker: The member for Brampton North: I trust this is new information.

Mr McClelland: Yes, it is, Mr Speaker. It is something that I would ask you to consider and something you said in your closing comments.

Mr Speaker, you said before my friend the member for Mississauga South spoke that you would make a judgement and proceed with the debate. I say with great respect that to do that completely nullifies the point of order and the point of privilege I brought to you. If you were to rule that I must proceed at this present time, with the greatest of respect, you certainly cannot have considered my point, it being that I as a member have had my privileges violated.

If it is a point of privilege with respect to my being able to proceed on the substantive portions of this bill, if it is being changed and you are telling me to proceed on this matter but you will reserve judgement until later, how then can you come back to me in the event you say that my point is well taken and say, after the fact, "You were right, but I am sorry, you have had your kick at the can."

Furthermore, Mr Speaker, I draw your attention to the standing orders, which I think you would be pleased to have brought forward at this point in time. I suggest it is potentially possible for significant cost issues to be raised with the statement being put forward here, the change in direction.

Is it appropriate, in terms of the orders of this House, for a private member to stand in his place and bring forward a statement that may have significant financial implications with respect to the introduction of this bill and the change? I put that question to you, Mr Speaker. I ask you to consider ruling, not at the present time but to hold it in reserve and stand this issue down. If you rule that I must proceed, then you cannot, in fairness, have dealt with my issue.

The Speaker: I always appreciate it when members are familiar with the standing orders. I assume all members are. Second, members may be aware that for better or worse, the Speaker is not aware of House leaders' agreements nor is he privy to those discussions.

I have listened very carefully. The point raised by the member for Brampton North is taken very seriously and I will reserve judgement on this. The House stands recessed for 10 minutes.

The House recessed at 1604.

1609

The Speaker: Indeed, as is the tradition in the Legislative Assembly of Ontario, the three House leaders have reached an agreement as to how we should best proceed,

so there is not a point of order to be dealt with. While I appreciate the very swift progress that was made, it would be very much appreciated if the discussions involving the three House leaders could take place outside the chamber, rather than having to debate in the chamber the concerns that each individual House leader has. Having reached the agreement then, I understand the member for Brampton North once again has the floor.

Mr McClelland: Thank you very much, Mr Speaker. I would say at the outset that I find myself at somewhat of a disadvantage, but having said that, I will proceed as best I am able, simply to summarize some comments I put forward in this place on September 23.

We hear today that there will be a change in the fundamental nature of the legislation, in my view, that would indicate that any directive given by the cabinet to Ontario Hydro must be within the mandate of Ontario Hydro. I welcome that as good news if in fact that is the case, and I will be interested to see precisely how that is done.

Might I suggest that having done that, the government has fundamentally changed the very nature of this bill. If they have done that, if they have recognized that, if they have gone back home and talked to some people and found out this is not going to fly, then they should reconsider the whole thing. It is a fundamental change, in my view, to the whole principle of the bill. It is one of the three significant points put forward by Bill 118, and they have taken one out, apparently. We will have to wait and see what actually comes to pass with that.

I think it is consistent. There is a tremendous amount of parliamentary tradition that would say that when you fundamentally change the nature of a bill, you do one of two things: You either kill it or you start afresh. I think they are determined to go ahead with certain aspects of it, and that means they have to change the bill significantly. Better yet that they do it all over.

We have a situation here where the cabinet is now going to say, "We give you a directive within the mandate of Ontario." We will be interested to see how that plays out, for the minister to stand in his place and say: "Let's not be absurd. I am not going to use by any means the authority we would have pursuant to Bill 118 to make directions to Hydro that have significant policy implications."

All we have to do is look at history, at what has happened over the past few months. Over the past few months, that is exactly what has happened. The bill has not even yet had second reading in this place and the minister is doing the very thing. He stood in his place and said: "I'm not prepared to do that. The directives coming from cabinet are going to have to be within the strict mandate of Ontario Hydro," which my good friend the member for Ottawa South has said is very clear and plain: to provide energy, electricity, at cost, to the consumer in Ontario. Having said they are going to ensure that any directives do that, history tells us in just the couple of months past that they have done anything but, that they have gone significantly beyond that mandate.

I say to the people of Ontario that with the appointee of the current government demanding a salary of some \$400,000-plus, they want to put increases of at least 11%

to the people of Ontario. They are saying: "Don't worry about this. We're not going to give you any directives that aren't going to fit nicely." The people of Ontario have to wonder what is being said here, "What are these people in government, the current New Democratic government, trying to tell us?" "We're not going to do it, but don't worry. We've already done it." The people of Ontario have to ask themselves that question. What is going on here for a government that says: "Don't worry. It won't happen in the future. By the way, we're sorry we have already done it a couple of times"? The bill is not even proclaimed yet or even had second reading.

All the while they are talking about significant rate increases to the people of the province, "It's all right for my friends to come into a new job at \$400,000-plus a year." I just wonder how well that sits with the people, certainly back in Brampton North.

We had some discussion a few moments ago about my privileges here in this House. One of the responsibilities I have is to represent the people of my community and suggest in this place that they are not getting a good deal.

I do not know exactly what is going to be forthcoming from the minister in his statement tomorrow, but I do know this. I know the chairman of Ontario Hydro has said: "You're going to look for very significant increases this year. Over the next three years, you can expect 44% or more increase in your hydro rates." I think the people of Ontario have a right to know that. I think they ought to have put to them very plainly by this government that, "We are going to hit you with significant costs." They ought to know that.

I will tell them again and again until my friends opposite in government understand that the people of Ontario are not prepared to accept that kind of hidden tax. If you voted NDP, I say to the people of Ontario, what you are getting is taxes that are being put to you through your hydro rates by virtue of this bill. If you like that happening, then re-elect this government when you have that opportunity a few years down the road, because you have not seen anything yet in terms of the costs that are going to be coming to you either directly or indirectly. I suppose I object to that more than anything else.

I think any government at any level is going to take a lot of criticism for increasing taxes, but that is the cost of leadership. I have said before in this place that if they are going to do it they should stand up and do it forthrightly and directly. They should not slide it off on Ontario Hydro. They should not slide it off on the monthly billings that people across this province are going to get coming through the mail or on their automatic billing plans from their local hydro commission. That is not the way to tax people in this province. The government should rethink this in terms of what it is doing to people who are desperately trying to hang on to jobs.

Many people in my community are losing their homes. I have never had the kind of traffic in my four short years here as I have had in the past few months in terms of economic hardship. They say, "Well, what's 11% on my hydro bill?" This is what it is: When you do not have anything left, when there is no money in the cookie jar,

11% is sometimes the final straw. There are people who are barely hanging on and the government is going to add to their cost of housing, 44% over three years.

My backbench friends should think of that when they go back home. The people who put them in, who gave them the responsibility to represent them here, do not want a 44% hydro tax increase. I use that word advisedly, because that is what is happening. It is not power for cost. It is not provision as mandated by Ontario Hydro. This is an opportunity for the government to do its northern development program—all well and good; my seatmate from Elliot Lake is delighted that the government has responded to a need in that community.

But let's be forthright about it. Let's do it the way the government is entrusted to do it, up front, not sliding this tax through people's mailboxes in the form of Ontario Hydro rate increases. They should not insult the people of Ontario by hitting them with that kind of increase and saying, "The friend we brought in to run this organization is worth \$400,000-plus a year." They should not insult them that way. People are tired of that kind of thing. They are tired of the new limousines; they are tired of them having their offices renovated.

I stood in the House today and asked a question of relative insignificance in terms of dollars and cents, and all the while thousands of dollars are being spent at another ministry in terms of office renovations. People do not like that. The government has to understand that they are not going to sit back idly and accept it from the government, so it should reconsider that.

I say to the people of Brampton North that I will not go back to my community without having voiced my opinion as strongly and as emphatically as I can that the people of my community ought not to have a 44% increase in hydro rates over the next three years, as projected by the friend of the New Democratic Party who is now at the helm of Ontario Hydro, that large institution. People cannot afford it and they will not accept it willingly.

I want to talk very briefly about what the government is going to do with this. The government has the majority and it says: "We're prepared to go to public hearings. We want to get this bill in quickly because we've got to get this money flowing. In fact, we've got to continue what we're doing, but we'll put this to public hearings."

The minister is not here right now and the government House leader, unfortunately, is not here right now. I want to know what they are talking about when they talk about public hearings. Are they talking about Toronto? Are they talking about a committee room down the hall at Queen's Park where they can invite a few people, energy consultants or people from the natural gas industry, who are happy about this bill which is going to increase hydro rates by 44%?

I am still amazed that on September 23, when I debated this, the minister stood in his place and said, "The people who sell natural gas are happy that we're increasing." Is that not a wonderful surprise? Of course they are happy. I would be happy too if one of my competitors were having a 44% increase in the product he was supplying.

What kind of people are they going to invite to the public hearings and where are they going to do it? Are they going to do it just down the hall here? Are they prepared to take it to the people of Ontario? Are they prepared to go to Victoria-Haliburton, I say to my friend opposite, and let the people in his community tell him what they really think about it? Are they prepared to go to northern Ontario, to Cochrane and areas, and hear what they want to say about this increase? Are they prepared to go to rural south-western Ontario, where farmers who have tremendous energy costs are struggling, and say to them, "If you want to voice your displeasure, come on down to Queen's Park and we'll listen to you"?

I challenge the government that if it is going to go to public hearings it should take it to the people of Ontario across the province and give them ample opportunity to put their case before the government so it has a sense of how they really feel about this.

1620

I could go on at length, but there are other people who want to speak, and I already had an opportunity a couple of weeks ago to voice some of the concerns I have. I simply want to say in summary that I find this to be one of the more distasteful things I have experienced in my years here.

I do not mind taking the heat for tax increases, as I did in the former government as a backbencher. That is what I get paid for. I say to members opposite, take it. Be prepared to stand up and say, "That's what we're doing and here is our rationale for it." They should not slide it off through the mailbox, I say to the Minister of Natural Resources, by saying, "We're just going to up the ante a little bit month to month on your hydro bill." If they want to do something, they should say they are doing it and stand up and deal with it on a direct basis.

I would hope as we have this new act—it is being changed somewhat, I think in large measure due to the very wise thoughts put forward by my friend the member for Ottawa South. He put forward a very compelling case. I am delighted that the Minister of Energy has responded and considered, apparently, the member's position that the mandate of Ontario Hydro ought to be the framework within which government policy is enacted through the vehicle of Ontario Hydro.

I am delighted that this apparently is going to happen. I am anxious to see it. I maintain that I would have liked to have had the opportunity to address it more fully. I would have liked to have seen what it was before I was required to continue the debate here this afternoon.

The people of Ontario are not going to be happy about this. I will go back to my community and say I have put it very plainly to the government that I think it is wrong. I think it is doing a disservice to the people of Ontario. I think it is doing a disservice to them in terms of the immediate cost. I think it is doing a disservice to them in terms of the impact it may have, and I believe will have, in terms of the attractiveness of business investment in this community. I think it will regret very significantly the day it pushed this forward.

If they are going to do it, I implore them to at least hold public hearings in a broad range geographically across this province. Go to each region of this province and hear what those folks will say. Go to the people of Elliot Lake, I say to the Minister of Natural Resources, and ask them how they feel about the appropriateness of having the program his government has put in place for Elliot Lake paid for by all the people of the province through their hydro rates. I hope the government will have the courage of its convictions and go forward to every corner of this province and allow the people to express their concerns and their views with respect to this legislation.

I hope the government will reconsider. It reconsidered in part; that is a good start. It should rethink the whole thing and make sure the people of Ontario get what they have always had: power at cost, provided to them in an efficient manner. Let's have that as part of a comprehensive energy policy which we need very badly to build the kind of economy we need for Ontario and for the kids in this province who are looking forward, hopefully, to a happy future here.

Mr McGuinty: I want to reinforce some of the statements made by the member for Brampton North. In particular, although we are spending a lot of time addressing what the bill does, we are not addressing one of the major issues we are all facing which this bill does not address, that is, this business of our rates and the substantial hikes we have to contend with.

Our rates are going up 11.8% next year. This year they went up 15.6% due to the combined effect of the goods and services tax, and they have been predicted to go up over 44% over the next three years by the chairman of Ontario Hydro. We now know that Ontario's residential ratepayers are paying on average 33% more than ratepayers elsewhere in Canada. Our industrial and commercial ratepayers are paying on average 60% more than their equivalents elsewhere in Canada.

The question we have for the minister is, what is he doing to help control these rate hikes? What is he doing to ensure that our existing ratepayers are going to be able to manage these increases? What is he doing to ensure that we are going to keep Ontario an attractive place for investors, who will be comparing the different jurisdictions with a view to determining who charges the most for hydro? We have farmers, single-parent families, all trying in the context of a recession to manage these. Of course, when it comes to hydro, we cannot shop elsewhere. We have to buy our electricity from Ontario Hydro. This bill does nothing whatsoever to address those spiralling rate hikes.

Hon Mr Wildman: I always enjoy the comments of my friend the member for Brampton North. I have heard his remarks and I know he feels very strongly on this issue.

I want to put before members of the House the question in regard to his comments about this bill: Why is it considered unusual or surprising that a government in this province would indeed believe that Ontario Hydro should be used as a development tool in directing development across the province? This is certainly nothing new. Ever

since Sir Adam Beck in 1905 dreamed up the idea of Ontario Hydro, it was conceived and thought of as a development tool for the province.

Frankly, this is not unusual in Canada. Everyone in this House is aware, particularly my friend the member for Ottawa South, that Hydro-Québec is used as a development tool by the government of that province. It is quite a legitimate approach, just as we might use transportation infrastructure, just as this country has always used things like railways as a development tool. We have always believed in this large country, with the resources we have, the distances we have and the problems of climate we have, that we should indeed make certain that the agencies of government are used in such a way as to try to deal with those distances and those disadvantages we face in many parts of the province. That is what this bill will do. This bill will make it possible for Ontario Hydro to become part of the economic solution in this province, rather than continuing to contribute, through price hikes and so on, to the economic difficulties we face.

Mr McClelland: I will be brief. I appreciate the historical reference made by the honourable minister, the member for Algoma, to the advent of Ontario Hydro in 1905. I suppose I wait with some relish to hear the historic rendering the member for Renfrew North will afford this House and the people of Ontario as he reviews the history of Ontario Hydro and indeed speculates on the future of it in light of Bill 118.

The honourable minister said in his concluding remarks that he did not want Ontario Hydro to be part of the problem by contributing to rate hikes. The minister will know that this is not only exactly what is going to happen, but it is going to happen with a greater percentage increase than has ever been occasioned in this province before. I would suggest to him that I agree with that portion of his statement. Very soon, the people of Ontario are going to see those bills coming in. They are going to wake up and smell the coffee and say: "Boy, you're right. We don't want to see Ontario Hydro becoming a problem in terms of our household expenses, in terms of our business expenses, in terms of the investment climate in this province." It is one more ingredient in the mix that says: "Are we sure we ought to come to Ontario? Do they really know where they are going in terms of energy costs?"

One of the great competitive advantages we have had in this province is being put in jeopardy. I say again that the people of Ontario ought to know that. I urge them to respond, to take action, to call their members, to write to their members or to the Minister of Energy and the Premier of this province and demand the opportunity to put their case before a committee of this Legislative Assembly that will travel to all parts of the province, hear the good people of Ontario and understand their displeasure about what is taking place, I say again, somewhat insidiously, through the implementation of Bill 118.

1630

Mrs Marland: As I rise today to take part in this debate on Bill 118, An act to amend the Power Corporation Act, I have to wonder somewhat whether this bill is

going to be allowed to proceed in its present form or whether the government, in the interim of public hearings after second reading, may have come to its senses. That they have come to their senses is what we might have heard today from the Minister of Energy had he been prepared to make his statement.

However, it seems the government is rushing from bush fire to bush fire in a piecemeal fashion with all its legislation. I understand the little situation that occurred earlier this afternoon was the result of a motion passed by the Municipal Electric Association on Sunday, and here we are on Tuesday afternoon, 48 hours later, and we have a government that is running. Let's hope that instead of running backwards they are willing to look forward, and in looking forward to the future recognize that this province will not have any future if we go down this slippery road Bill 118 would take us.

Particularly, I think it bears merit to read into the record the resolution of the Municipal Electric Association, to which we understood the Minister of Energy was going to try to respond today. We now have assurance that he is going to respond tomorrow. That motion of the Municipal Electric Association reads as follows:

"That the provincial MEA publicity campaign against Bill 118 (Power Corporation Amendment Act) be discontinued, if the Minister of Energy, within the next 48 hours, makes a suitable statement in the Legislature clearly committing the government to restrict the proposed power to direct Ontario Hydro to matters in the act, and commits to effective consultation on the criteria for, impact of and implementation of subsidies or loans for fuel-switching,

"And further it is noted that this does not preclude presentations to committee hearings focused on operational matters regarding the bill,

"And further, the chair and president should write the minister welcoming the new openness and looking for further future co-operation."

I am sure that now, since the 48 hours have elapsed, the members of the Municipal Electric Association wonder whether they can trust this government at all. I think the members of that association share with us, as Progressive Conservatives, in our caucus many of the same concerns about what this bill is exactly about.

When we look at what Ontario Hydro has been under the Power Corporation Act, we can respect the fact that it always has been an arm's-length corporation. It is very significant now when we have the current socialist government wanting to dip its hand right into the cookie jar and control Hydro rates so that if they need more money all they have to do, through the amendments to the Power Corporation Act, which is what Bill 118 is all about, is to cover off any areas they are interested in having more income from.

Is this not rather significant when one reads what the bill actually says? The fact is that this bill gives the government powers over Ontario Hydro. This government has protected itself by appointing its own person to head Ontario Hydro, so it does have control at the top. But the concern we have is that the whole issue of policy as to the future of the provision of power in Ontario will no longer

rest with the major provider of power, namely Ontario Hydro. It will be totally under the hand and within the arm of this socialist government.

We know this government is very open about its anti-nuclear stance. We recognize that any government that is against the nuclear generation of electricity in 1991 is a government that is totally in the Dark Ages, to use a pun. We also know that the people who know how much electricity is needed in Ontario today and have very accurate projections of how much will be needed in the future know we cannot provide that amount of electricity and meet those load demands with only coal-fired or fossil-fuel-fired thermal units in combination with Hydro generation.

As an aside, it might have been refreshing if this government had come in with a bill changing the name rather than the direction of Ontario Hydro, because it is rather a misnomer. It is a power supplier, and since the majority of electricity is no longer generated by water, it would be appropriate to change the name of the corporation. That is a direction we would support.

The fact that this bill makes major changes in the operation of Ontario Hydro is something the public of Ontario will never know until it starts receiving its Hydro bills with increased rates, when the public of Ontario no longer has the privilege and opportunity of receiving electricity at cost. It has always been the policy that whatever it costs to generate electricity, those costs and those costs only would be borne by the consumers of electricity.

We have a bill which is doing a number of things. First of all, it is making the chairperson of Ontario Hydro the chief executive officer of the corporation and that would be effective this past June. Any actions taken by individuals other than the chairperson who represent themselves as the chief executive officer will not be binding on the corporation.

If we ever need an example of how wrong it is to have the chairperson and the chief executive officer of an agency or corporation being the same person, we have it in TVOntario. I suggest to the government that where the chief executive officer of a corporation reports to the chairman of the board and is his or her own boss, this is absolutely senseless; it is irresponsible. If this government were really following the rhetoric we have heard from it in opposition in all the years of its history in this province, I think the last thing it would do is to make the chief executive officer also chairman of the corporation, but that is what this bill does.

The bill also increases the membership on the board of directors of Ontario Hydro from 17 to 22. We understand that is purely so they can make their own NDP appointments and have control over that board—pretty straightforward logic on their part. If they want to control the policies of Ontario Hydro and therefore control the future direction of the supply of electricity in this province—and regardless of whether they accept the fact that they will be putting us in the dark, literally—they have to control the board. They have simply done that by increasing the number of appointees to the board.

1640

Another thing that is unique is that they are appointing the Deputy Minister of Energy as a non-voting member of

Ontario Hydro's board of directors. Now I accept that he is non-voting, but we would think that if this corporation were to be an arm's-length corporation, the way it was founded and intended to be when it was originally established, as soon as you appoint a deputy minister to the board of directors, you eliminate that arm's-length relationship. But bear in mind, of course, that this is exactly what this socialist government wants. They want to control Ontario Hydro because they want to use the Hydro rates to pay for their social agenda.

We know and everybody who has looked at this knows very clearly what is going on. The sad part is that the public of Ontario will not know until it is too late. Mind you, I am quite sure the public of Ontario will remind this government that they are not to be taken lightly when it comes time for the next election.

This bill also allows the Minister of Energy to issue policy directives approved by the Lieutenant Governor in Council that would be binding on the corporation. For people listening or watching, we perhaps should just explain what this means, because this is the most significant part of Bill 118.

This is the part that allows the Minister of Energy to issue policy directives approved by the Lieutenant Governor in Council. Everyone knows that a policy directive approved by the Lieutenant Governor in Council is in fact a policy directive by the government of the day. We in opposition, with a majority government—which we unfortunately have at the moment with this socialist government—have no power to control what those policy directions will be. The fact is the bill says that whatever those policy directives are, approved by the Lieutenant Governor in Council at the direction of the Ministry of Energy, they would be binding on the corporation.

The irony in this part of the bill is that we might as well do away with the board of directors, even though I have already said the board of directors is going to be controlled by the members appointed by this socialist government. We might as well do away with the board of directors, because whatever is allowed to the Minister of Energy through this bill would be binding on the corporation. If by some fluke the board of directors of the corporation decided it wanted to disagree with a policy directive from the Minister of Energy, it would not matter, because if that initiative or direction had been approved by the Lieutenant Governor in Council, then that is the direction it would be.

I want to speak for a few minutes on one of those major policy directions. In order to do that, I want to refer back to the standing committee on estimates of Monday, February 11, 1991, at which time the then Minister of Energy, the member for Peterborough, was before that estimates committee.

I was asking the Minister of Energy on what information she based her opinion that we should not have any more nuclear power plants in Ontario. It was very interesting to hear her response, because she referred to the fact that there was evidence about them being unsafe. I just want to read for a moment a quotation from page E-37 of those estimates in Hansard.

"Mrs Marland: I mean, you said on the subject of nuclear generation, 'We're not going to commit ourselves too deeply until the results are heard.' Then you go on to give an example by saying that the source of the uranium is in mines which are unsafe, and I am trying to get very clear from you what your arguments are. Are your arguments against nuclear generation because the mining of the energy source is unsafe?"

"Hon Mrs Carter: There is a certain risk involved in it, I think, yes, even with the best conditions made possible. I do not think any mining is altogether safe and healthy and, of course, when you have radioactive dust as a complication, that does certainly increase the problem. But there are, of course, other related concerns. The health of the miners is not the only one.

"We have the problem of the tailings which are deposited on the surface and which either can blow around or leach into waterways and so on. That is quite a serious problem, I think, certainly south of Elliot Lake. Then, of course, at the other end of the nuclear fuel cycle we have the disposal of the used fuel, which is also a problem that we have not totally managed to solve at this point. So to focus attention on the actual power stations is not to realize the full extent of the problems that we do have with nuclear power.

"Mrs Marland: Would you agree, Minister, that a moratorium is pretty significant? I mean, what is your interpretation of the word 'moratorium'? Would you agree that 'moratorium' is a pretty significant word in its intent?"

"Hon Mrs Carter: Yes, I certainly would. It means something is put on hold until further notice.

"Mrs Marland: Right. So when you say you are not going to commit yourselves too deeply, would you agree that a moratorium is a pretty deep commitment?"

"Hon Mrs Carter: Yes, but it is only a moratorium on the development of new nuclear power."

The problem with the discussion and the debate on nuclear power is that the people who are making passionate arguments against nuclear power almost link it to all the other hazards known to the use and application of nuclear energy. Suddenly the whole situation gets out of the world of relativity.

When I went on to ask the minister if they were looking for alternative generation and about the fact that looking for alternative generation was not a unique idea, she said: "We have quite a range of shorter-term options. Our favourite one is to use less."

This brings us to the whole crux of the problem of a government controlling Ontario Hydro. There is not one member in this Legislature who would not agree and, I hope, who does not practise using less electricity. I hope every one of us has done all the things that we possibly can in our homes and apartments and places of residence to conserve on the use of energy.

What is really significant is that when I went on in this same standing committee on estimates meeting to ask the chairman of Ontario Hydro whether or not the demand for the future supply of electricity in Ontario could be met without any further nuclear generation being built in Ontario, his

response was very significant. I would like, for the record, to quote Mr Franklin on page E-38:

"I understood that if we are faced with CO₂ limitations, they may be announced in 1994 but they would not click in, I do not think, until post-2000. I may be wrong about that, but my colleagues will correct me if I am. So I think the CO₂ limitations were more troublesome for us when we are talking about post-2000, which after all is kind of what our demand-supply plan really is all about.

"Our view, as expressed in that plan, I do not think has changed. We may be able to debate the timing of new generation and things like that, but our view is expressed there that when that time comes, if we rely on fossil fuels for base load, we will not be able to meet what we see to be pending CO₂ limitations.

1650

"We have to remember that 28% of our plant will become obsolete and not in existence during this planning process we are talking about. So we not only have to meet the increasing growth, we have to replace what we have. I think the debate is not whether you need new generation, but when you will need it. How long can you postpone the date?

"In our view, as we expressed in that plan, we have taken our best judgement on what load growth will be, what we can get from non-utility generation, what we can get from conservation, etc, what we can get from hydraulic, how much we can buy from other provinces, and we have come to the conclusion in that report, after five years of study, that somewhere in the year 2002-03, in that area, we will need another major generating source. I do believe that if we rely on fossil fuels to do that and these limitations come on that we are talking about, we will bump our heads on those limitations. It is a question of when."

Mr Franklin was the chairman of Ontario Hydro. I say with respect to this government that if it thinks any one of these members in this House today or any of the cabinet ministers, who are not in this House today, think they know more about meeting the energy demand needs and the forecasts for this province than Ontario Hydro, which has studied it for five years, then they are really out to lunch. It is unbelievable that anyone in 1991 can sit there and realistically say, "No, no, we can't have any other nuclear generation." The argument we hear, of course, is that it is unsafe, it is expensive and everything else.

I wonder if any of the people in this House know anyone personally who is dependent on electricity to live. I do, and perhaps, Mr Speaker, you do. You only have to visit someone who is dependent on electricity to live. I am not talking about the luxury—if they think it is luxury—of light, heat or cooling. I am talking of the need for electricity to generate a life-sustaining piece of equipment. Certainly those people in an emergency situation have had to transfer to auxiliary power, but on a long-term basis, those people's lives depend on electricity.

Mr Duignan: Remember Chernobyl? Remember Three Mile Island?

Mrs Marland: I hear the member for Halton North asking, "Remember Three Mile Island?" I would have

credited this member with more intelligence than to make that comment, because yes, I do remember Three Mile Island, I do remember Chernobyl and I do know a little about the generation in the nuclear plants that have been built and owned and operated by Ontario Hydro.

If the member for Halton North does not have the benefit of that knowledge, then he is the loser, because the little I know about the Candu reactor is that it has horizontal fuel rods, not vertical ones. In Chernobyl and Three Mile Island the vertical fuel rods were the contributing cause to the problem. In Three Mile Island it was not a meltdown, but in Chernobyl it was a meltdown. If the member knows anything about anything, he should speak, but if he does not, he should not make inane comments that have no significance in this House.

I am not an electrical engineer. I do not pretend to know about the generation of electricity. But I will tell members one thing that I wager no other member in this House did. At the time of Chernobyl—I may be wrong, but I think it was April 1986. I stand to be corrected if that date is incorrect; I am trying to remember. In any case, I recall that it was some time in the spring perhaps of that year. I went to Darlington in August that year. I had not visited a nuclear generating plant before. Because my constituents were suddenly fearful, concerned, wondering if a Chernobyl could happen in Ontario or indeed Canada or the United States, I felt I had an obligation to go and find out something about nuclear generation. So I took a camera crew and I went to Darlington and I spent 10 hours filming, for the benefit of my constituents, a record of how a nuclear plant operates in Ontario. From that 10 hours of filming, we made a concise, 30-minute presentation.

I was doing this as a layperson with a public relations person and an engineer from Ontario Hydro who could put the technical language into language that the layperson, which was myself, could understand. I asked questions about safety in the design of the Darlington nuclear plant. I asked how we could tell the people of Ontario that they did not have to fear a Chernobyl accident in Ontario with Ontario Hydro's operation with the Candu reactor.

I understood at the end of 10 hours—I say again in a non-technical format—why there are differences. I learned at first hand what the built-in safety design is of Darlington, how much additional cost there is to the design and construction of a nuclear plant in Ontario today that is purely attributable to the safety features. We could probably build these plants for half the cost if we did not invest in all the additional design costs that are directly attributable to safety.

For the sake of the member for Halton North, who threw out that comment a minute ago about Three Mile Island—he might be interested to know this—one thing they have at Darlington is a whole structure of volume of space contained within walls into which all the air from the area of the reactor can be transferred.

1700

Where the reactor sits in the Darlington plant I think is called a vault. Maybe my colleague the member for Lanark-Renfrew will know this far better than I, but I think where the reactor sits is a vault and it is in a very large

volume of space and, therefore, a large volume of air. The safety feature is that immediately adjacent to this is another large structure. It is just like a big empty can. In the event of a malfunction of that reactor, the air is removed from that area and contained in a standby space so that there is no concern about that air, with any hazard associated with it, as an emission. There is no risk to its being released into the atmosphere.

Before I went to visit Darlington, I probably was ambivalent about nuclear generation, but I knew the reason the Candu reactor was as popular as it was all around the world was because of the safety design built into it. In fact, I felt reassured, as did my constituents who later told me, after seeing that film, that finally they understood why nuclear generation was expensive. But they also recognized that if we are talking about the future of our province and the growth of our province, we need nuclear generation.

Interjections.

Mrs Marland: If these members who are prattling on now with their interjections would care to show me the courtesy of not interjecting and maybe waiting until they get an opportunity to speak, they could rebut my information if they have more accurate information. If they wish to debate the information I am giving them, if they wish to defend the position they hold, that there will be no further nuclear generation of electricity in this province because of unknown risks or safety, and put at risk the very safety of the people who already live here who cannot live without electricity, then that is on their shoulders; it is not on mine.

The fact is that if we want to say to the people who live in Ontario: "Don't have any more babies, because we can't deal with the growth of our province. We can't have any increase in our population. We can't invite anyone here to build industry and develop our commerce and retail sectors because we won't have any electricity for them"—when the chairman of Ontario Hydro refers to its demand-supply report, which took five years to develop, and says we cannot be dependent on fossil-fuel generation, are these members willing to be at the end of the telephone when we get our first brownouts and then our blackouts, when people are in crises, in emergency situations because we are out of electricity?

The fact is that this socialist government, which wants to be all things and do all things for all people, will not have any resources to do that. They will not even have the resources that exist today, because industry and commerce will be gone. Industry and commerce will leave this province because there is no question that without a supply of electricity, industry and commerce are not interested in establishing in Ontario.

Any of the members who have a rebuttal to the former chairman of Ontario Hydro, and if their rebuttal is that they can meet the load-demand projections for the next decade with conservation, then they really are living in Alice in Wonderland. I would hope, with respect, that none of them is going to stand up and say, as did their former Minister of Energy, that the load-demand requirement will be met through conservation.

Yes, we should conserve and we should increase our conservation of electricity. We should be doing that in any case. I can tell members one thing that is going to force the people of this province to conserve their electricity is going to be the rates they will be paying after this socialist government piles all its social agenda and social services expenses on to our Hydro rates and uses Ontario Hydro as a cash cow from which to extract indirect taxation.

In fairness, I should read into the record a letter to myself from Hydro Mississauga, because this Bill 118 is very significant. For those members who would like a copy, I would be more than happy to send a copy over to them. The letter is actually dated September 11, 1991, and reads:

"Dear Mrs Marland:

"On behalf of Hydro Mississauga, I am writing to express our opposition to Bill 118, An Act to amend the Power Corporation Act, which is being considered for second reading by the provincial Legislature this fall.

"Bill 118 threatens to destroy Ontario's long-cherished principle of power at cost by making electricity rates a new source of tax revenue for the provincial government.

"Under Bill 118, the provincial government would be able to issue policy directives that bypass the democratic legislative process, are binding on Ontario Hydro, and that could force Hydro to do things that are outside its current mandate—the provision of safe, reliable electricity. In addition, Bill 118 would force Ontario electricity consumers to pay for these policy directives through their rates. This is unacceptable.

"We also object to the sections of Bill 118 that permit Ontario Hydro to subsidize fuel substitution through electricity rates. This is unnecessary, as market forces alone are enough to encourage certain types of fuel switching.

"Hydro Mississauga supports the campaign of the Municipal Electric Association (MEA) to change Bill 118 in the areas of policy directives and fuel substitution. The MEA position paper is enclosed for your information.

"Bill 118 is flawed legislation that sets dangerous precedents and allows a new hidden 'tax grab' by the provincial government.

"We urge you to speak to Energy critic Leo Jordan on this subject and look forward to your support in our fight to change Bill 118.

"Sincerely,

"Alan E. Bradley, PEng

"Chairman."

It is copied to T. Jennings at the MEA and is on the letterhead of Hydro Mississauga, Mavis Road, Mississauga.

I think it is significant to recognize that this letter from Hydro Mississauga is only one of hundreds this socialist government will have received by now from those people around this province who are responsible for retailing electricity. It is one thing for the government to control Ontario Hydro and to have the power to use the Ontario Hydro rates as a tax grab for its own Treasury, for its own budget to spend money on whatever its priorities are, but the fact is the people who end up with the responsibility at the next

level of administration in dealing with the people of Ontario who purchase electricity are the local utility administrators.

1710

Alan Bradley, as chairman of Hydro Mississauga, is saying, without a partisan bone in his body—I could not tell members what political party Alan Bradley belongs to; I can tell them he has been chairman of Hydro Mississauga for a very long time. He is also supported by very excellent individuals who sit as commissioners on Hydro Mississauga, including Mayor Hazel McCallion, the mayor of Mississauga, and Mr Ron Starr. These are people who, for reasons of personal commitment to the service of the people of Mississauga, have said they are concerned about Bill 118.

They are not saying some of the partisan political things that I am saying because I am free to do that; they are simply representing their customers. It is the local utilities that retail Ontario Hydro's product. It is the local utilities that then have to be the retailers of electricity and collect the money for the cost of that electricity. They are saying they do not mind collecting the costs of electricity rates, of hydro rates, but they do not want to have to collect additional costs which may be applied by this socialist government.

Immediately following the September election of last year, the chairman of AMPCO, the Association of Major Power Consumers in Ontario—and I do not think it would take much imagination by the members of this House to recognize who the major power consumers of Ontario are—Mr Lounsbury, who is now retired, commented: "Without nuclear energy, this province is finished industrially. Industry won't grow at all."

Mr Lounsbury later stated: "There is a gradual movement of business development out of Ontario. This is currently in the form of carrying out plant expansion outside rather than inside Ontario. The future availability of a reliable source of electricity at cost has become a major concern."

The people who are responsible for the supply of electricity know full well that there is no one in Ontario today who can live without the use of electricity, unless we are willing to step back into the Dark Ages and go back to coal lamps, maybe even horses and buggies. Maybe when we pull into a gas station to fill up our car we will be happy to operate a hand pump. Any kind of example in our daily lives without electricity, I suggest, would be almost impossible.

We are actually in a situation where the supply of energy has become something we absolutely take for granted, and maybe on that score we have been guilty in the past of taking the availability of that supply for granted. We have not conserved enough, we have not realized how important are all the simple things we can do in our homes, in our offices and in our industrial plants, such as turning off unused lights and equipment that uses electricity when it is not in use.

Some of those things we have not done in the past because we have not had enough of an emphasis on conservation, but I think to suggest that through conservation alone we will meet the increased demand for electricity in this province is totally unrealistic.

On the subject of how we have perhaps wasted, all of us, electricity in the past, I would like to say that AMPCO has defended itself against critics who have cited its members for unnecessary waste of electricity.

The member for Peterborough in her address to AMPCO's annual meeting this year stated that Ontario industry must utilize available technology for the reduction of electricity. AMPCO has responded by citing numerous awards its members have received from Ontario Hydro for their efforts in reducing power consumption. So this minister, who thinks it is realistic to meet the demands for electricity in the future by conserving, obviously does not know what has been going on.

Members can be assured that industry that is dependent on electricity is not going to waste it. Industry that relies on electricity at the cost that it is today, before this socialist government get its hand in the cookie jar and puts everything else on the hydro rates, as I said a few minutes ago, probably has as its greatest operating expense its electricity bills. For that reason alone, they would be conserving as much as they possibly could, and therefore reducing their costs.

The Municipal Electric Association is becoming increasingly concerned with the overall deterioration. They are concerned about what is going to happen with all these plants that need replacement and refurbishing. They have just spent almost \$3 billion refurbishing the Lakeview generating plant in my own riding of Mississauga South. That is a coal-fired thermal unit. As Mr Franklin says in his comments, "The cost of repair and refurbishing to our existing plants is going to be a very big expense item that has to be faced."

This government is saying: "We don't need nuclear. We're fine with what we've got." I do not think this government realistically has looked at how old our plants around this province are.

Also, I think it is important to comment on the fact that the Premier has taken a very active role in the Energy portfolio, which is very unusual. That has been demonstrated by his appointment of Mr Marc Eliesen without consulting the member for Peterborough, the then Minister of Energy. Do members not think it is rather significant that the Premier decides who the new CEO will be and does not even consult with the Minister of Energy? Of course, she is no longer the Minister of Energy; nevertheless, at the time she was. I think that was very discourteous.

Since the Hydro-government affair has been an ideological battle to this point, the transition of a few key players will not initiate major changes. Interest groups such as the Association of Major Power Consumers in Ontario and the Municipal Electric Association are concerned about the future of Hydro's power-at-cost pricing formula. The throne speech of November clearly outlines the government's intention to supply power at reasonable cost to users; not at cost—at reasonable cost.

There is growing speculation in the business community that Ontario Hydro could become an indirect taxation arm of the government. Given the NDP's celebrated position on corporate taxation, businesses, particularly the

AMPCO members, fear they will be targeted for higher user rates.

It is pretty straightforward, it is pretty black and white what is going on here. The fact, as I said earlier, that this government increased the number of board members so it could have control—not only appointing the chairperson, which was its prerogative, but making him CEO and then increasing the number of board members—all this is a tactic, pure and simple, for this socialist government to control the provision of electricity in Ontario.

1720

Hon Mr Hampton: You get no marks for repetition.

Mrs Marland: I am glad the Attorney General is listening. I really appreciate the fact that he, as busy as he is, has time to pay attention to my speech. He is probably in the House doing his House duty, I would suspect, but I appreciate that he is here listening to what I am saying, because as a member of the cabinet, and I would think a heavyweight member of the cabinet as the Attorney General, perhaps he will be able to sit at the cabinet table and convey the concern we have for the future of electricity in this province, how we are going to get it and how much it is going to cost.

I would like to place on the record some concerns of the member for Lanark-Renfrew. He has a number of concerns. One is that he feels that Bill 118 should be withdrawn and that it is only required to enforce the government's anti-nuclear policy and social programs. He also feels we should restrict the proposed power to direct Ontario Hydro only to matters now within the act, with effective consultation through this House on any directive outside the Power Corporation Act. He feels the fuel switching should be left to the marketplace and that the implementation of any conservation program for customers in municipalities be decided, funded and implemented by the utility commission for that municipality. That all makes sense. The member for Lanark-Renfrew makes a great deal of sense and he comes from a very strong base of experience, as a former staff person with the provider of power in Ontario.

Interjection.

Mrs Marland: I could not hear all of the question from the Attorney General, but I am sure in the two-minute responses he will give me the opportunity to hear the question again.

Simply, what we are dealing with here is very evident. We are talking about electricity and whether this province has a future and whether our future will include the supply of sufficient electricity. The cost of power is a major cost of doing business.

I also believe that government should finance alternative fuel options. I hope this government will see its way clear to getting involved in financing research and development of alternative fuel options. I actually had the pleasure this past week of driving an alternative fuel vehicle; I drove a natural gas powered vehicle. I know, Mr Speaker, that you yourself drive an alternative-fuel-powered vehicle; I think it is ethanol. In any case, I appreciate the fact

that you are progressive, Mr Speaker, in driving an alternative fuel vehicle.

During this week while I drove a natural gas powered vehicle, courtesy of Consumers' Gas Co, I actually was delighted to find that alternative fuels are very realistic. I did not know whether I was driving on gasoline or natural gas in terms of the performance of the vehicle. This was a dual-fuelled vehicle, so should I run out of natural gas, had a little switch on the dash that I pressed and then the engine reverted to gasoline as a fuel.

It just seems realistic, when we are concerned about the downside of generating electricity, even with the equipment we have today in Ontario—I am talking about the environmental downside in terms of emission from fossil-fuel-fired plants—that we should all be looking towards and willing to invest in alternative fuel options. But in the meantime, if there is no option—and I would suggest that for the major industry in this province there is no option other than electricity—then we had better be sure that electricity supply is there. It must be there for industry and commerce. It would not be very realistic, I would suggest to the Attorney General, to have all our high-rise office buildings in downtown Toronto with candles in their windows.

What we have to talk about is providing electricity at cost. We have to find if there is a way it would become less expensive rather than more expensive. We have to try to find ways to make it more plentiful. We have to realize that energy use at the consumer level, for example, at the household level, should be conserved but has to be guaranteed.

The fact is that in Ontario today we are very secure. We turn on our furnaces, and whether they are oil furnaces, gas furnaces or our houses are electrically heated, there is electricity used in our homes. Our homes are warm in the winter, and for some people who have the luxury of air-conditioning they are cool in the summer. What we have to learn to do is to have the temperature lower in the winter and obviously higher in the summer. But that is a very small portion of the amount of electricity that is used in this province. The major use of electricity is in industry. On that note, I will say to this socialist government that if it thinks it can put on a direct taxation for an indirect purpose such as funding its own social agenda and get away with it, it is majorly wrong. It is majorly mistaken.

The people of this province will not accept a direct taxation by increasing their Hydro rates. They want and expect and have a right to energy at cost because energy is not a luxury. I say to this government that if the Minister of Energy's statement tomorrow says to this House that it is willing to continue the operation of Ontario Hydro as an arm's-length government agency without control from the government of the day, whatever that government is, whether it is this socialist government for the next three years and our Progressive Conservative government following that, I would still be standing in this House saying that government should not control Ontario Hydro.

It is very important that energy at cost is protected. It is very important that the future of energy supply in this province is guaranteed. If this government thinks it is possible to meet low-demand projections of Ontario Hydro

without adding new generation sources, then I hope that the first time somebody dies in this province because there is not enough electricity, that person realizes a decision was made by this government that we can only generate with generation from existing plants. If they are happy to pollute the atmosphere by building more coal-fired thermal units and have the CO₂ emissions going into the atmosphere, that will be on their heads too.

1730

They are the party we have listened to for years with their rhetorical comments about being the preservers of the environment, and now we are talking about being conservers of energy. It will all come back to roost. We will find out what they really stand for, what they really mean and if they are capable of setting priorities in the format in which they should be set.

In closing, I wish to quote from an address to the annual meeting of the Association of Major Power Consumers of Ontario in April 1991. Falconbridge Ltd president and CEO, Frank Pickard, stated:

"It simply is no longer a question of whether or not major generating capacity will be required in this province. The only question left is when. Quite frankly, the ongoing uncertainty over energy cost and supply is the biggest issue industry is facing in this province; bigger than any other, bar none. The simple truth is that if we cannot be sure of the supply, we cannot with any confidence plan a future in Ontario."

The president of this major corporation has made a statement that could have been made by any corporate head of any industry or large corporation in Ontario today. The simple truth is that if we cannot be sure of the supply, we cannot with any confidence plan a future in Ontario. This is a government, this socialist government of today, that claims to be interested in the people. This is the government that wants to protect workers and jobs.

Hon Mr Hampton: Gosh, you're repetitive, Margaret.

Mrs Marland: I say to the Attorney General, who finds my comments humorous, that if he wants to protect jobs and his workers, as a socialist government in Ontario, I suggest that he start by protecting the industry that employs them. That industry will not be here if it does not have electricity. They cannot be here if they do not have electricity.

I say also, in fairness to those same workers whose jobs the government wishes to protect—that is what we hear from the government all the time. They are supposed to be the only people who worry about people, nobody else. No other government, no other party, has ever worried about people, to hear their comments and their platform. If that part is even true, how could the government possibly want to burden these same people with additional costs of living in Ontario today by adding to the cost of the operation of their businesses and their homes by increasing the cost of electricity?

I would suggest that if this government does not protect the mandate of Ontario Hydro today, which is energy at cost, then it becomes a betrayal of the people of this province who were guaranteed in the Power Corporation

Act that they would have a supply of energy at cost. But probably what we will find is that this government does not care. It already has almost a \$10-billion deficit. It needs more money.

On a personal basis, I think my friend the Treasurer is great, but as a Treasurer with a socialist government, I feel sorry for him. He is looking in one pocket, he is looking in another and he has a \$10-billion deficit.

No wonder somebody came up with this idea, "We could control Ontario Hydro and then we could control Ontario Hydro rates." If the government does not care about the people it is going to be putting out of their homes and their businesses, if it does not care about the industries that are going to leave this province because they can no longer afford electricity—more important, in another decade there will not even be the electricity for them because the government has not planned for the future supply—if the government does not care about the future of this province, then it should go ahead and pass Bill 118. In so doing, the legacy the members pass on to their children and grandchildren will be a legacy of which I would dread to be a part.

All I can say to the government is that there are some things that should be protected. I think it is the right of the public of this province to live in a clean air atmosphere and to have as part of that atmosphere a reduced amount of generation of electricity that does not pollute by burning coal in our old, antiquated coal-fired thermal units. I say to the government members that if they do not care about those things, they should not go around saying they are the great environmentalists that they are.

If government members care about the fact that people already are taxed to death in this province, that people are hanging on by their fingernails to finance the cost of living in their homes and apartments and other accommodations, that they cannot bear another increase in that cost or any of those costs over which they have no control, then I simply say to them that they should not ask to control Ontario Hydro so they can use this loophole of Lieutenant Governor in Council orders from the Minister of Energy. They should not put the Minister of Energy in charge of Ontario Hydro. Let it stay as an arm's-length corporation and let the people of this province continue, with difficulty—Hydro rates have had to go up because the cost of operating for Ontario Hydro has had to go up. The government should not add to that burden, which ultimately is passed on to the consumers whether they be business or residential consumers, because in so doing, in the long run, it is going to eliminate their jobs and their ability to buy electricity at any cost.

I appreciate the opportunity of being able to speak to Bill 118. I think rather than be repetitive, as the Attorney General has suggested I might become, I would rather just close by saying to each member of this socialist government in the House today and those members who are not here that the responsibility is theirs. It is not mine, because as an opposition member I am part of a group that does not have the power in this House. The members opposite have the power. They have the numbers in their majority government to realize that Bill 118 should be withdrawn. It is

not a piece of legislation any one of them will be proud of in the long run.

1740

Although the public of Ontario and the constituents of the members' ridings today do not know what Bill 118 is—they do not have a clue unless they are electrical engineers and perhaps have heard from their professional associations what Bill 118 is about—the members opposite should not think the public will not know what it is about when the next election is called.

Their constituents are going to come to them and say: "What was wrong with what Ontario Hydro was doing when it was providing energy at cost? Why is industry no longer looking at Ontario to invest, to be established and to create jobs?" Because the first thing industry looks at when it is going to locate anywhere in any province, in this country or in the world is whether there is going to be a supply of energy for its operation.

We have the former chairman of Ontario Hydro, Mr Franklin, saying on the supply of energy, of alternative generation: "So we not only have to meet the increasing growth; we have to replace what we have. I think the debate is not whether you need new generation but when you will need it and how long you can postpone that date."

I say to each one of the members opposite that if they are willing to postpone that date, then they had better be willing to take the full wrath of the people of this province when they are thrown into the brownouts and blackouts that will be the result of their decision on Bill 118.

Also, if the members opposite are not willing to help Ontario Hydro make the investment it needs to replace the equipment that is already outdated and past repair in this province, then they are simply saying: "Don't tell us what is going on. We don't really care. We're antinuclear. We want some way of raising money and we realize that if we control Ontario Hydro by having our own person as chairman and chief executive officer"—the two jobs in one person—"nobody answering to anybody, everybody being their own boss, we will control Ontario Hydro by having our own people appointed to the board. The only way we can do that right away is not by waiting for the board members' terms to expire. We'll increase the number of board members."

That is what this government is doing to Bill 118. It is finding a way to control Ontario Hydro. I say to the members opposite it is a dangerous precedent they will come to regret. If each member opposite stands in this House and votes on Bill 118 in the future, I hope he or she will realize what a significant implication Bill 118 is.

I hope the members opposite will not just vote blindly because it is their government's legislation. I sincerely hope they will recognize the significance of the decision they will be making by supporting this bill, because it is historic in its significance.

I say to the member for Cochrane South, who does not even know how many years the Progressive Conservatives were the government in this province—I do not know whether he has children; he is certainly too young to have grandchildren—the significance of this decision cannot be underestimated. If he is willing to support this bill, then

what is next? What will the next arm's-length organization or corporation of this government? What will be the next one they will decide to control because they seen it as a means of inserting their particular socialist philosophy?

That is not what these corporations were about. If that were the case when we were the government for all those 42 years, we would have chosen to control these government agencies, boards and commissions. We would have been trying to tell Ontario Hydro what to do, but we did not. We chose to establish them under the independent act. As the Power Corporation Act was designed by our government, it was very purposeful in its design so that government would not have the kind of control and interference into an area that was not in the best interests of the province.

Perhaps in its response to my speech today this government will be able to tell me what is next. What is the next government arm's-length corporation they plan to take over so they can get some form of additional taxation?

The Acting Speaker (Mr Villeneuve): I wish to thank the honourable member for Mississauga South for her participation. Questions and/or comments on the member's participation? The honourable member for Oxford.

Mr Sutherland: There is certainly a lot to respond to since the member for Mississauga South spent a long time talking about things, but the thing that kept hitting me was that she kept talking about electricity at cost, and this is certainly an issue that comes up in this discussion on a regular basis.

I would like the member to define what she means by electricity at cost because, quite clearly, as we have been going along we have not been paying electricity at cost while we were supposed to be. It has been a great myth and I think the debt load of Ontario Hydro shows that.

At the same time and in typical Conservative fashion, almost speaking out of both sides of her mouth in terms of saying we have to worry about supply, the member does not say how we are going to pay for future supply and creating future supply. She does not want hydro rates to go up, but she does not have any answers on how we are going to create future supplies of energy. Quite frankly, if we are going to be able to do that we have to start paying the real, true cost.

I do not like it. I know many constituents in my riding do not like it, particularly those on fixed incomes, but the reality is that for the last 10 or 15 years we have not been paying the true cost. We have not been having electricity at cost as the member is saying. I think that issue needs to be brought out and all members, if they are going to be quite frank with their constituents and the people of Ontario, need to deal with that issue in our discussions on the future of Ontario Hydro.

I am sure other members will deal with some of the other inconsistencies that seemed to come through in the member's presentation.

Mrs Sullivan: I was quite taken with the remarks of the member for Mississauga South. I sat with the member on the select committee on energy during the time we were dealing with Ontario Hydro's demand-supply plan. Her

arguments about power at cost are telling ones. I suggest to the member for Oxford, who has just commented on the concept of power at cost, looking at the demand-supply plan and the hearings surrounding the issues that were before the committee at that time. The concept is one of long and historical standing. Clearly he did not understand the points the member for Mississauga South was trying to make.

1750

Mr Turnbull: I would like to congratulate the member for Mississauga South on her presentation. I would like to point out that some of the ways Hydro could save money would be, for example, the pension fund, which is fully funded. If they never paid another penny into the pension fund for the next 10 years, it is still fully funded, and yet this year they are being forced to put \$250 million into that fund. Why, when it is fully funded? As well, the new chairman of Hydro, who as a deputy minister was being paid about \$135,000 a year, is now being paid \$400,000 a year. If these are not reasonable ways of saving money, I do not know what is.

Is the suggestion that he would not do the job of chairman of Hydro for the same sort of money as for a deputy minister? I would suggest that is patent rubbish. But unfortunately this is a party, the NDP, that wants to pay off its friends. All the hypocrisy that was suggested over the years when they were in opposition, of payoffs by other parties, and they do the same thing themselves. Would they please have some consistency? Let's go back to the basic reason for Hydro, and that is to provide power at cost.

Mr Jordan: I too would like to congratulate my colleague on her excellent presentation this afternoon and her interest in the energy supply to Ontario, and on the fact that she took the time to go and spend a full day at a nuclear plant in order to relieve herself of the fears that were so easily instilled in people a few years ago relative to nuclear energy.

I think that if my colleagues on the government side visited our nuclear plants and understood the Candu system, they would not require this bill at all, because they would have no fear whatsoever of nuclear energy. They would have no fear of the storage of our spent fuel bundles. With that knowledge, we could restore to the province an electrical industry equal to the industry we have enjoyed over the life of Ontario Hydro until the present time.

I feel strongly that unless this bill is completely withdrawn—the government should put its confidence in its new chairman; the government should put its confidence in the people it placed over there. They have a new chairman, a chief executive officer. They have their deputy minister or assistant deputy minister sitting with the board of directors. They have the means of excellent communication and exchange, without giving themselves the right to destroy the Power Corporation Act through directives bypassing the House over to the board without the people of Ontario being aware of it until such time as they see it on their Hydro bills.

Mrs Marland: I was disappointed that more members of the government did not use an opportunity to place on the record the comments they had been throwing out during their interjections to my speech this afternoon. It proves they really do not want to be on the record. They are happy to sit there and throw out the snide comments, but they are not willing to stand on their feet when they have the opportunity and be on the record.

The member for Oxford, who suggested I might be speaking out of both sides of my mouth, should look in the mirror as a member of this socialist government that campaigned on government-run automobile insurance in the last election one year ago. Suddenly, no deal. There are so many areas where this government has to be accountable to the public of this province.

The good news for the public of this province is that all those promises that they campaigned on, including the protection of the environment, have not been kept. The fact is that they think they can fool the people of this province, but they cannot. They can run a campaign and make promises and then not fulfil them, but when it comes around to the scorekeeping and the accounting at the next election, they will find that people do not forget. Whether they backtrack on their promises for the environment—promises and questions that were raised by their Minister of the Environment when she was in opposition, while she now has let the people of Peel and York and Durham regions down—those people will not forget, as the people of this province will not forget when they know what the implications of Bill 118 mean to them in real costs of electricity supply.

Mr Drainville: It is again an honour to speak to this House with some revised remarks that I would like to make on Bill 118. I think it would be appropriate just to say that I am very glad to speak to this bill because it is a very important piece of legislation that is being put forward by the government.

I must say that as I was sitting down listening to the honourable member for Mississauga South, I was reminded of the words in Shakespeare's *Macbeth* that "Fair is foul, and foul is fair." We constantly hear this invective and this venting of spleen from the opposition members, particularly the members of the third party, indicating I might say a lack of concern and commitment on the part of the government in putting forth particular measures.

I want to say that in this measure of Bill 118, the government has been very clear about the mandate it has and very clear about the direction it believes the province should be going in. There may be all sorts of disagreements on the part of the opposition members, and it is certainly their right to disagree, but to say somehow that the government is not considering the issue or is not fair to this issue or has not done its homework is patently false and unacceptable.

On top of that, inaccuracies have been trotted forth in this exposé of interest we have heard today in the House, particularly when the member for Mississauga South indicated, or at least implied, some nefarious action on the part of the government in trying to have the chairman of the board become the chief executive officer. I find this

incredible, really. I think the word is "incredible." Under the Tories, the very chairperson of the Hydro board was the chief executive officer. That was under the Tory government.

More to the point, I might add that in terms of all the blue-chip companies in Canada, there are very many companies in which the chairperson of the board is the chief executive officer. This is not a strange thing. Coming from the particular perspective of the honourable member for Mississauga South—that is a Tory perspective and we know, let's say, their penchant for being in relationship with those in the business community—I would have thought she would know that the chief executive officers are often also the chairpersons of the board.

That being said, I would also like to speak about the member for Brampton North. The member for Brampton North indicated that the hydro rates we are paying in Ontario happen to be exorbitant and that we cannot continue

to increase the amount of money people are paying for hydro. I want to say that it is the view of this government, and it has been clearly stated by the ministers, that the amount of money we are paying is indeed great and that we have to get hold of the fiscal dynamics of the present situation. But we cannot see that in a vacuum. The reality is that we have seen over many years that Ontario Hydro has had its own agenda in terms of spending, and that the overruns have been so great that they have not been able to contain them in such a way as to help us fend off this day of reckoning which is swiftly coming.

I see you motioning me, Mr Speaker, and I look forward to speaking again to this House.

The Acting Speaker: Yes, the honourable member will have an opportunity to resume this debate.

The House adjourned at 1800.

**COMMITTEES OF THE LEGISLATIVE ASSEMBLY
COMITÉS DE L'ASSEMBLÉE LÉGISLATIVE**

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Members/Membres: Gary Carr, Jenny Carter, Robert Chiarelli, Derek Fletcher, Charles Harnick, Irene Mathysen, Gordon Mills, Jean Poirier, Gregory S. Sorbara, David Winninger

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Estimates/Budgets des dépenses

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Members/Membres: Gary Carr, Hans Daigeler, Mike Farnan, Paul R. Johnson, Wayne Lessard, Dalton McGuinty, Lyn McLeod, Lawrence O'Connor, Anthony Perruzza, Gary Wilson

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Finance and economic affairs/

Finance et affaires économiques

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General government/Affaires gouvernementales

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Government agencies/Organismes gouvernementaux

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Legislative Assembly/Assemblée législative

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Members/Membres: Mike Cooper, Robert Frankford, Norman Jamison, Margaret Marland, Irene Mathysen, Carman McClelland, Gilles E. Morin, Hugh P. O'Neil, Stephen Owens, Noble Villeneuve

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Public accounts/Comptes publics

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Règlements et projets de loi privés

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Clerk/Greffier: Harold Brown

Social development/Affaires sociales

Chair/Présidente: Elinor Caplan

Vice-Chair/Vice-Président: Joseph Cordiano

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Clerk/Greffière: Lynn Mellor

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Ontario in Confederation/

Rôle de l'Ontario au sein de la Confédération

Chair/Président: Dennis Drainville

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Members/Membres: Jenny Carter, Alvin Curling, Ernie Eves, Charles Harnick, Margaret H. Harrington, Gary Malkowski, Irene Mathysen, Steven Offer, Yvonne O'Neill, David Winninger

Clerk/Greffier: Harold Brown

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Co-Chair/Coprésident: Noel Duignan

Members/Membres: Dianne Cunningham, Remo Mancini, Kimble Sutherland

Clerk/Greffier: Smirle Forsyth

CONTENTS

Tuesday 1 October 1991

Members' statements

Village of Eganville	2621
Mr Conway	
Red Hill Creek Expressway	2621
Mr Turnbull	
United Way campaign	2621
Mr Martin	
Environmental protection	2621
Mrs Sullivan	
Garbage disposal	2622
Mr Jordan	
Korean Heritage Day	2622
Ms M. Ward	
OPP cutbacks	2622
Mr Bradley	
Technological training	2622
Mrs Cunningham	
Peterborough economy	2623
Ms Carter	

Statements by the ministry

Environmental bill of rights	2623
Mrs Grier	
Assistance to farmers	2623
Mr Laughren	

Responses

Environmental bill of rights	2624
Mr McClelland	
Assistance to farmers	2625
Mr Cleary	
Mr Villeneuve	
Environmental bill of rights	2625
Mr Cousens	
Ministerial statements	2625
Mr Bradley	
Visitor	2626
The Speaker	
Attendance of Premier	2626
Mr Bradley	
Mr Cooke	
Mr Elston	

Oral questions

Budget	2626
Mr Elston	
Mr Laughren	

Nursing homes	2627
Mr Elston	
Ms Lankin	
Social assistance	2628
Mr Jackson	
Ms Akande	
Labour legislation	2629
Mrs Witmer	
Mr Mackenzie	
Lakefill	2630
Mrs Caplan	
Mrs Grier	
Landfill sites	2630
Mr Stockwell	
Mrs Grier	
Gas leak in Jarvis	2631
Mr Jamison	
Mr Wildman	
Ontario Hydro rates	2631
Mr McGuinty	
Mr Ferguson	
Remarks by appointee to police services board	2632
Mr Runciman	
Mr Pilkey	
Rent regulation	2632
Mrs Mathysen	
Ms Gigantes	
Sabrina Panetta	2633
Mr McClelland	
Ms Akande	
TVOntario	2633
Mrs Marland	
Mrs Haslam	
Road construction	2634
Mr Hansen	
Mr Pouliot	
Tuition fees	2634
Mr Daigeler	
Mr Allen	
Expo 98	2635
Mr Ruprecht	
Mr North	

Petitions

Nursing homes	2635
Mr Daigeler	
Mrs Y. O'Neill	
Oath of allegiance	2635
Mr J. Wilson	
Nursing homes	2636
Mr Grandmaitre	
Oath of allegiance	2636
Mrs Sullivan	

Second readings

Lists of members

Power Corporation Amendment Act, 1991, Bill 118	2636
Mr Drainville	2636
Mr McClelland	2642
Mr McGuinty	2644
Mr Wildman	2644
Mrs Marland	2644
Mr Sutherland	2652
Mrs Sullivan	2652
Mr Turnbull	2653
Mr Jordan	2653
Mr Drainville	2653
Adjourned	2654

Members and their responsibilities
Committees of the Legislative Assembly

TABLE DES MATIÈRES

Le mardi 1 octobre 1991

Deuxième lecture

Listes des députés

Loi de 1991 modifiant la Loi sur la Société de l'électricité,	
projet de loi 118	
Débat ajourné	2654

Les députés et leurs responsabilités
Comités de l'Assemblée législative

**LEGISLATIVE ASSEMBLY OF ONTARIO
ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO**

Lieutenant Governor/Lieutenant-gouverneur: Hon/L'hon Lincoln M. Alexander, PC, QC/CP, CR

Speaker/Président: Hon/L'hon David Warner

Clerk/Greffier: Claude L. DesRosiers

Clerk Assistant and Clerk of Committees/Greffier adjoint et Greffier des comités: Smirle Forsyth

Clerk Assistant and Clerk of Journals/Greffier adjoint et Greffier des journaux: Alex D. McFedries

Sergeant at Arms/Sergent d'armes: Thomas Stelling

Abel, Donald (Wentworth North/-Nord PC) government whip/Whip du gouvernement

Akande, Hon/L'hon Zanana (St Andrew-St Patrick ND) Minister of Community and Social Services/Ministre des Services sociaux et communautaires

Allen, Hon/L'hon Richard (Hamilton West/-Ouest ND) Minister of Colleges and Universities, Minister of Skills Development/Ministre des Collèges et Universités, ministre de la Formation professionnelle

Arnott, Ted (Wellington PC)

Beer, Charles (York North/-Nord L)

Bisson, Gilles (Cochrane South/-Sud ND) PA to Minister of Northern Development and Mines, PA to minister responsible for francophone affairs, Vice-Chair, select committee on Ontario in Confederation/Ap du ministre du Développement du Nord et des Mines, ap du ministre délégué aux Affaires francophones, vice-président du Comité spécial sur le rôle de l'Ontario au sein de la Confédération

Boyd, Hon/L'hon Marion (London Centre/-Centre ND) Minister of Education, minister responsible for women's issues/Ministre de l'Éducation, ministre déléguée à la Condition féminine

Bradley, James J. (St Catharines L) opposition House leader/Chef parlementaire de l'opposition

Brown, Michael A. (Algoma-Manitoulin L) Vice-Chair, standing committee on general government/ Vice-Président du Comité permanent des affaires gouvernementales

Buchanan, Hon/L'hon Elmer (Hastings-Peterborough ND) Minister of Agriculture and Food/Ministre de l'Agriculture et de l'Alimentation

Callahan, Robert V. (Brampton South/-Sud L) Chair, standing committee on public accounts/Président du Comité permanent des comptes publics

Caplan, Elinor (Oriole L) Chair, standing committee on social development/Présidente du Comité permanent des affaires sociales

Carr, Gary (Oakville South/-Sud PC)

Carter, Jenny (Peterborough ND) PA to Minister of Citizenship, responsible for human rights, disability issues, seniors' issues and race relations/Ap de la ministre des Affaires civiques, déléguée aux Droits de la personne, aux Affaires des personnes handicapées, aux Affaires des personnes âgées et aux Relations interraciales

Charlton, Hon/L'hon Brian (Hamilton Mountain ND) Minister of Financial Institutions/Ministre des Institutions financières

Chiarelli, Robert (Ottawa West/-Ouest L)

Christopherson, David (Hamilton Centre/-Centre ND) PA to Treasurer of Ontario and Minister of Economics/Ap du Trésorier de l'Ontario et du ministre de l'Économie

Churley, Hon/L'hon Marilyn (Riverdale ND) Minister of Consumer and Commercial Relations/Ministre de la Consommation et du Commerce

Cleary, John C. (Cornwall L)

Conway, Sean G. (Renfrew North/-Nord L)

Cooke, Hon/L'hon David (Windsor-Riverside ND) Minister of Municipal Affairs, government House leader/Ministre des Affaires municipales, chef parlementaire du gouvernement

Cooper, Mike (Kitchener-Wilmot ND) Chair, standing committee on administration of justice; deputy government whip/Président du Comité permanent de l'administration de la justice, whip adjoint du gouvernement

Coppen, Hon/L'hon Shirley (Niagara South/-Sud ND) Minister without Portfolio, chief government whip/Ministre sans portefeuille, whip en chef du gouvernement

Cordiano, Joseph (Lawrence L) Vice-Chair, standing committee on social development/Vice-Président du Comité permanent des affaires sociales

Cousens, W. Donald (Markham PC)

Cunningham, Dianne (London North/-Nord PC) Progressive Conservative chief whip/Whip en chef du Parti progressiste-conservateur

Curling, Alvin (Scarborough North/-Nord L) opposition deputy whip/whip adjoint de l'opposition

Dadamo, George (Windsor-Sandwich ND) PA to Minister of Transportation/Ap du ministre des Transports

Daigeler, Hans (Nepean L)

Drainville, Dennis (Victoria-Haliburton ND) PA to Minister of Municipal Affairs; Chair, select committee on Ontario in Confederation/Ap du ministre des Affaires municipales, président du Comité spécial sur le rôle de l'Ontario au sein de la Confédération

Duignan, Noel (Halton North/-Nord ND) Chair, standing committee on the Legislative Assembly; Co-Chair, special committee on the parliamentary precinct/Président du Comité permanent de l'Assemblée législative, coprésident du Comité extraordinaire de l'enceinte parlementaire

Elston, Murray J. (Bruce L) Leader of the Official Opposition/Chef de l'opposition officielle

Eves, Ernie (Parry Sound PC) Progressive Conservative House leader/Chef parlementaire du Parti progressiste-conservateur

Farnan, Mike (Cambridge ND) First Deputy Chair of the Committee of the Whole House/Premier vice-président du Comité plénier de l'Assemblée législative

Fawcett, Joan M. (Northumberland L)

Ferguson, Hon/L'hon Will (Kitchener ND) Minister of Energy/Ministre de l'Énergie

Fletcher, Derek (Guelph ND) PA to Minister of Consumer and Commercial Relations/Ap du ministre de la Consommation et du Commerce

Frankford, Robert (Scarborough East/-Est ND)

Gigantes, Hon/L'hon Evelyn (Ottawa Centre/-Centre ND)
Minister of Housing/Ministre du Logement
Grandmaître, Bernard C. (Ottawa East/-Est L)

Grier, Hon/L'hon Ruth A. (Etobicoke-Lakeshore ND)
Minister of the Environment, minister responsible for the greater Toronto area/Ministre de l'Environnement, ministre responsable du Bureau de la région du grand Toronto

Haeck, Christel (St. Catharines-Brock ND)

Hampton, Hon/L'hon Howard (Rainy River ND) Attorney General/Procureur général

Hansen, Ron (Lincoln ND) Chair, standing committee on finance and economic affairs; Chair, standing committee on regulations and private bills/Président du Comité permanent des finances et des affaires économiques, président du Comité permanent des règlements et des projets de loi privés

Harnick, Charles (Willowdale PC)

Harrington, Margaret H. (Niagara Falls ND) PA to Minister of Housing/Ap du ministre du Logement

Harris, Michael (Nipissing PC) leader of the Progressive Conservative Party/Chef du Parti progressiste-conservateur

Haslam, Hon/L'hon Karen (Perth ND) Minister of Culture and Communications/Ministre de la Culture et des Communications

Hayes, Pat (Essex-Kent ND) PA to Minister of Agriculture and Food (agriculture)/Ap du ministre de l'Agriculture et de l'Alimentation (agriculture)

Henderson, D. James (Etobicoke-Humber L)

Hope, Randy R. (Chatham-Kent ND) PA to Minister of Community and Social Services/Ap du ministre des Services sociaux et communautaires

Huget, Bob (Sarnia ND) PA to Minister of Energy/Ap du ministre de l'Énergie

Jackson, Cameron (Burlington South/-Sud PC) Chair, standing committee on estimates/Président du Comité permanent des budgets des dépenses

Jamison, Norm (Norfolk ND) PA to Minister of Industry, Trade and Technology, responsible for small business/Ap du ministre de l'Industrie, du Commerce et de la Technologie, délégué aux Affaires des petites entreprises

Johnson, Paul R. (Prince Edward-Lennox-South Hastings/Prince-Edward-Lennox-Hastings-Sud ND)
PA to Minister of Revenue/Ap du ministre du Revenu

Jordan, W. Leo (Lanark-Renfrew PC)

Klopp, Paul (Huron ND) PA to Minister of Agriculture and Food (food)/Ap du ministre de l'Agriculture et de l'Alimentation (alimentation)

Kormos, Peter (Welland-Thorold ND) Chair, standing committee on resources development/Président du Comité permanent du développement des ressources

Kwinter, Monte (Wilson Heights L)

Lankin, Hon/L'hon Frances (Beaches-Woodbine ND)
Minister of Health, minister responsible for the provincial anti-drug strategy/Ministre de la Santé, ministre déléguée à la Stratégie antidrogue provinciale

Laughren, Hon/L'hon Floyd (Nickel Belt ND) Deputy Premier, Treasurer of Ontario and Minister of Economics/Vice-premier ministre, Trésorier de l'Ontario et ministre de l'Économie

Lessard, Wayne (Windsor-Walkerville ND) PA to Minister of Colleges and Universities/Ap du ministre des Collèges et Universités

Mackenzie, Hon/L'hon Bob (Hamilton East/-Est ND)
Minister of Labour/Ministre du Travail

MacKinnon, Ellen (Lambton ND) Vice-Chair, standing committee on the Legislative Assembly/Vice-Présidente du Comité permanent de l'Assemblée législative

Mahoney, Steven W. (Mississauga West/-Ouest L) chief opposition whip/Whip en chef de l'opposition

Malkowski, Gary (York East/-Est ND) PA to Minister of Citizenship, responsible for human rights, disability issues, seniors' issues and race relations/Ap de la ministre des Affaires civiques, déléguée aux Droits de la personne, aux Affaires des personnes handicapées, aux Affaires des personnes âgées et aux Relations interraciales

Mammoliti, George (Yorkview ND) PA to minister responsible for the provincial anti-drug strategy/Ap de la ministre déléguée à la Stratégie antidrogue provinciale

Mancini, Remo (Essex South/-Sud L) Chair, standing committee on general government/Président du Comité permanent des affaires gouvernementales

Marchese, Rosario (Fort York ND) PA to the Premier, PA to Minister of Intergovernmental Affairs/Ap du premier ministre, ap du ministre des Affaires intergouvernementales

Marland, Margaret (Mississauga South/-Sud PC) Vice-Chair, standing committee on estimates/Vice-Présidente du Comité permanent des budgets des dépenses

Martel, Hon/L'hon Shelley (Sudbury East/-Est ND) Minister of Northern Development and Mines/Ministre du Développement du Nord et des Mines

Martin, Tony (Sault Ste. Marie/Sault-Sainte-Marie ND) PA to Minister of Education/Ap de la ministre de l'Éducation

Mathyssen, Irene (Middlesex ND) PA to Minister of the Environment, government whip/Ap de la ministre de l'Environnement, whip du gouvernement

McClelland, Carman (Brampton North/-Nord L)

McGuinty, Dalton J.P. (Ottawa South/-Sud L)

McLean, Allan K. (Simcoe East/-Est PC) Vice-Chair, standing committee on government agencies/Vice-Président du Comité permanent des organismes gouvernementaux

McLeod, Lyn (Fort William L)

Miclash, Frank (Kenora L) opposition chief whip/Whip en chef de l'opposition

Mills, Gord (Durham East/-Est ND) PA to Solicitor General/Ap du Solliciteur général

Morin, Gilles E. (Carleton East/-Est L) Deputy Speaker and Chair of the Committee of the Whole House/Vice-Président et Président du Comité plénier de l'Assemblée législative

Morrow, Mark (Wentworth East/-Est ND) Chair, standing committee on the Ombudsman; Vice-Chair, standing committee on administration of justice/Président du Comité permanent de l'ombudsman, vice-président du Comité permanent de l'administration de la justice

Murdoch, Bill (Grey PC)

Murdock, Sharon (Sudbury ND) PA to Minister of Labour/Ap du ministre du Travail

North, Hon/L'hon Peter (Elgin ND) Minister of Tourism and Recreation/Ministre du Tourisme et des Loisirs

O'Connor, Lawrence (Durham-York ND) PA to minister responsible for the greater Toronto area; Vice-Chair, standing committee on regulations and private bills/ Ap de la ministre responsable du Bureau de la région du grand Toronto, vice-président du Comité permanent des règlements et des projets de loi privés

Offer, Steven (Mississauga North/-Nord L)

O'Neil, Hugh P. (Quinte L)

O'Neill, Yvonne (Ottawa-Rideau L) opposition deputy whip/ Whip adjointe de l'opposition

Owens, Stephen (Scarborough Centre/-Centre ND) PA to Minister of Financial Institutions, government whip/ Ap du ministre des Institutions financières, whip du gouvernement

Perruzza, Anthony (Downsview ND) PA to Minister for Skills Development/ Ap du ministre de la Formation professionnelle

Philip, Hon/L'hon Ed (Etobicoke-Rexdale ND) Minister of Industry, Trade and Technology/Ministre de l'Industrie, du Commerce et de la Technologie

Phillips, Gerry (Scarborough-Agincourt L)

Pilkey, Hon/L'hon Allan (Oshawa ND) Solicitor General, Minister of Correctional Services/Solliciteur général, ministre des Services correctionnels

Poirier, Jean (Prescott and Russell/Prescott et Russell L)

Poole, Dianne (Eglinton L) Vice-Chair, standing committee on public accounts/Vice-Présidente du comité permanent des comptes publics

Pouliot, Hon/L'hon Gilles (Lake Nipigon/Lac-Nipigon ND) Minister of Transportation, minister responsible for francophone affairs/Ministre du Transport, ministre délégué aux Affaires francophones

Rae, Hon/L'hon Bob (York South/-Sud ND) Premier, Minister of Intergovernmental Affairs/Premier ministre, ministre des Affaires intergouvernementales

Ramsay, David (Timiskaming L)

Rizzo, Tony (Oakwood IND)

Runciman, Robert W. (Leeds-Grenville PC) Chair, standing committee on government agencies/Président du Comité permanent des organismes gouvernementaux

Ruprecht, Tony (Parkdale L)

Scott, Ian G. (St. George-St. David L)

Silipo, Hon/L'hon Tony (Dovercourt ND) Chairman of the Management Board of Cabinet/Président du Conseil de gestion du gouvernement

Sola, John (Mississauga East/-Est L)

Sorbara, Gregory S. (York Centre/-Centre L)

Sterling, Norman W. (Carleton PC)

Stockwell, Chris (Etobicoke West/-Ouest PC)

Sullivan, Barbara (Halton Centre/-Centre L)

Sutherland, Kimble (Oxford ND) PA to Chairman of the Management Board of Cabinet; Vice-Chair, standing committee on finance and economic affairs/ Ap du président du Conseil de gestion du gouvernement, vice-président du Comité permanent des finances et des affaires économiques

Swarbrick, Anne (Scarborough West /-Ouest ND)

Tilson, David (Dufferin-Peel PC)

Turnbull, David (York Mills PC)

Villeneuve, Noble (S-D-G & East Grenville/S.-D.-G. & Grenville-Est PC) Second Deputy Chair of the Committee of the Whole House/Deuxième vice-président du Comité plénier de l'Assemblée législative

Ward, Brad (Brantford ND) PA to Minister of Industry, Trade and Technology with responsibility for trade and technology/ Ap du ministre de l'Industrie, du Commerce et de la Technologie et délégué au Commerce et à la Technologie

Ward, Margery (Don Mills ND) PA to Minister of Government Services/ Ap du ministre des Services gouvernementaux

Wark-Martyn, Hon/L'hon Shelley (Port Arthur ND) Minister of Revenue/Ministre du Revenu

Warner, Hon/L'hon David (Scarborough-Ellesmere ND) Speaker; Co-Chair, special committee on the parliamentary precinct/Président, coprésident du Comité extraordinaire de l'enceinte parlementaire

Waters, Daniel (Muskoka-Georgian Bay/Muskoka-Baie-Georgienne ND) PA to Minister of Tourism and Recreation; Vice-Chair, standing committee on resources development/ Ap du ministre du Tourisme et des Loisirs, vice-président du Comité permanent du développement des ressources

Wessinger, Paul (Simcoe Centre/-Centre ND) PA to Minister of Health/ Ap de la ministre de la Santé

White, Drummond (Durham Centre/-Centre ND) Vice-Chair, standing committee on the Ombudsman/ Vice-président du Comité permanent de l'ombudsman

Wildman, Hon/L'hon Bud (Algoma ND) Minister of Natural Resources, minister responsible for native affairs/Ministre des Ressources naturelles, ministre délégué aux Affaires autochtones

Wilson, Hon/L'hon Fred (Frontenac-Addington ND) Minister of Government Services/Ministre des Services gouvernementaux

Wilson, Gary (Kingston and The Islands/Kingston et Les Îles ND) PA to Minister of Culture and Communications/ Ap de la ministre de la Culture et des Communications

Wilson, Jim (Simcoe West/-Ouest PC)

Winner, David (London South/-Sud ND) PA to Attorney General, PA to minister responsible for native affairs/ Ap du Procureur général, ap du ministre délégué aux Affaires autochtones

Wiseman, Jim (Durham West/Durham-Ouest ND) PA to Minister of Correctional Services/ Ap du ministre des Services correctionnels

Witmer, Elizabeth (Waterloo North/-Nord PC)

Wood, Len (Cochrane North/-Nord ND) PA to Minister of Natural Resources/ Ap du ministre des Ressources naturelles

Ziemba, Hon/L'hon Elaine (High Park-Swansea ND) Minister of Citizenship, minister responsible for human rights, disability issues, seniors' issues and race relations/Ministre des Affaires civiques, déléguée aux Droits de la personne, aux Affaires des personnes handicapées, aux Affaires des personnes âgées et aux Relations interraciales



62 1991

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of Ontario**

First Session, 35th Parliament

**Assemblée législative
de l'Ontario**

Première session, 35^e législature

**Official Report
of Debates
(Hansard)**

Wednesday 2 October 1991

**Journal
des débats
(Hansard)**

Le mercredi 2 octobre 1991



Speaker
Honourable David Warner

Clerk
Claude L. DesRosiers

Président
L'honorable David Warner

Greffier
Claude L. DesRosiers



Table of Contents

Table of Contents for proceedings reported in this issue appears at the back, together with an alphabetical list of members of the Legislative Assembly of Ontario.

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Numbering of Hansard

Effective with the opening of the Second Session of the 35th Parliament, Hansard issues and pages will once again be numbered on a sessional basis. Hansard numbering therefore will become consistent with Orders and Notices and Votes and Proceedings, and with other parliamentary publications throughout Canada.

For the last two years Hansard has been numbered according to the calendar year. Under this system, the numbering of issues and pages was restarted with the first issue in the calendar year, regardless of session or Parliament.

Under the new system, the sequence of numbering started in January 1991 will end with the final House and committee sittings of the present First Session. A new sequence will begin on the opening day of the Second Session, and each succeeding session, which will be issue 1 and begin with page 1. Committee reports likewise will be numbered from the first sitting of each committee in a parliamentary session.

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Table des matières

La table des matières des séances rapportées dans ce numéro se trouve à l'arrière de ce fascicule, ainsi qu'une liste alphabétique de députés de l'Assemblée législative de l'Ontario.

Il existe un index cumulatif des numéros précédents. Les renseignements qu'il contient sont à votre disposition par téléphone auprès des employés de l'index du Journal des débats au (416) 325-7400.

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Avec le nouveau système, la numérotation commencée en janvier 1991 s'arrêtera à la dernière séance de la Chambre et des comités de l'actuelle première session. Une nouvelle série commencera le jour de l'ouverture de la deuxième session et des sessions suivantes : numéro 1, page 1. Les rapports des comités seront également numérotés à partir de la première séance de chaque comité pour une session parlementaire donnée.

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LEGISLATIVE ASSEMBLY OF ONTARIO

Wednesday 2 October 1991

The House met at 1330.

Prayers.

MEMBERS' STATEMENTS

HISTORICAL SOCIETY DISPLAY

Mr Cleary: I would like to invite all members to re-discover part of our province's heritage by visiting the Stormont, Dundas and Glengarry Historical Society's display in the lobby of the Legislature.

The SD&G Historical Society is a proud custodian of the rich heritage of the three united counties, settled first by the Mohawk people, travelled by the French voyageurs and established by the United Empire Loyalists in 1784.

The city of Cornwall boasts two museums. Inverarden Regency Cottage Museum was constructed in 1816 for Nor'Wester John McDonald of Garth and is now furnished with fine Canadian furniture. The United Counties Museum has long preserved the history of SD&G. The distinguished displays feature a badge from the Stormont, Dundas and Glengarry Highlanders Regiment, mounted on a McDonald tartan similar to the one worn by the former member for Cornwall, the first Premier of Ontario, John Sandfield Macdonald. You will also find a beaver pelt linking us with the explorer Simon Fraser as well as other items reflecting the rich diversity of our culture.

I invite members to take a few minutes to see the exhibits, starting next Monday, celebrating the historic greatness of Cornwall and one of Ontario's founding communities.

APPOINTMENTS TO HOUSING AUTHORITIES

Mr B. Murdoch: I wish to bring to the attention of this House and the Minister of Housing a problem which she or her predecessor may have caused in my riding. Perhaps inadvertently, they have given local housing authorities the impression that all appointments to their volunteer boards will be taken over by the province.

This perception was deepened recently when two members of the Grey County and Owen Sound Housing Authority, one appointed by the county and the other by the city, received letters from the ministry telling them that if they wished another term, they must fill out an application form for the province.

I have been assured by the minister's agency appointments office that she has no intention of vetoing appointments from other levels of government. They only wanted additional information and in fact have now stopped sending out those letters. But I warn her she could be facing many angry people in the near future if she does not make this very clear.

The Owen Sound Sun Times ran a negative front page article on this issue yesterday. More will appear soon. The minister must realize what has happened and move quickly to ensure the public understands exactly what it is her ministry is trying to do.

KAREN MORRISON

Mr Dadamo: As a member of this assembly, I would like to take this opportunity to inform members of this Legislature about the Charles E. Brooks Labour Community Service Award, which was handed out recently in Windsor.

Let me add that this distinguished award was established in 1977 by the Windsor and District Labour Council, in conjunction with the United Way of Windsor-Essex County, to honour the memory of the late Charles E. Brooks, president of Local 444 of the Canadian Auto Workers and an outstanding community-minded citizen. In Windsor he is cherished.

I would also like to add that the award is presented annually to a Windsor and district trade unionist in recognition of outstanding contribution in the area of voluntary community services. As the member of the Ontario Legislature representing the riding of Windsor-Sandwich, I am pleased to announce to the members of this House that this year's recipient of the Charles E. Brooks Labour Community Service Award is Karen Morrison of Local 1681, CUPE.

Karen's tremendous contribution and endless hours of dedication to her profession as a nurse and to the labour movement have given her the honour she so rightfully deserves. As well, Karen is also the youngest person to ever win this award. As my constituent and dear friend, I congratulate Karen Morrison on being chosen this year's recipient of the Charles E. Brooks Labour Community Service Award.

SHELTER FOR WOMEN

Ms Poole: I was disturbed to learn that the committee of adjustment in the town of Georgina has rejected a proposal for a vitally needed women's shelter. This shelter would serve women and children who have been victimized by wife assault.

The reasons given for the committee of adjustment decision were not enough parking space and too narrow a driveway. Local residents talked about the proximity of homes for the mentally handicapped as a negative impact on children who would be in the proposed shelter. Do people seriously believe it is better for a child to live in an abusive situation than to occasionally encounter a mentally handicapped person? It is obvious the not-in-my-backyard syndrome is alive and well in Georgina.

Support for assaulted women and their children is needed throughout the province, but the need in Georgina is particularly acute. In 1990 this town had three times the rate of domestic assaults as the rest of York region. In the past two years, five people in Georgina have died as a result of domestic assault.

Just last week members of this Legislature deplored the tragic number of women who are assaulted. We condemned the violent circumstances under which many

women must live and we urged the government to act now to deal with the systemic nature of this problem. Was it all just rhetoric?

We have to battle the NIMBY syndrome. This government must intervene and continue the Liberal government's commitment to building that desperately needed shelter in Georgina.

AFFORDABLE HOUSING

Mrs Witmer: On August 14, the mayors of Kingston, Guelph, London, Windsor and Waterloo wrote to the Minister of Colleges and Universities requesting that he meet them as soon as possible to discuss the options his ministry would consider to help alleviate the very serious problems these communities face as a result of the demand for off-campus student housing. To date, the minister has not responded to this request to discuss off-campus student housing.

1340

The increasing need for students to find housing off campus has resulted in a significant decrease in the availability of moderately priced housing for families in these communities. The fact that many students can afford to pay inflated prices for substandard accommodation has forced many low-income families to lower their expectations for the kind of housing their limited incomes can afford.

I recognize this is not a simple problem with easy solutions. However, I do believe the minister has an obligation to work with the various communities to seek solutions which will meet the needs of both the students and the local community. A month and a half ago the mayors of these cities requested that the minister meet with them to discuss their concerns and they deserve a response from him. I strongly urge the minister to make the time to meet with these mayors at the earliest possible opportunity and to work not only with them but with the Minister of Housing to find solutions to this extremely difficult problem.

FACULTY OF SOCIAL WORK

Mr White: I rise to congratulate the faculty of social work at Wilfrid Laurier University on the occasion of its 25th anniversary.

The faculty of social work was established in 1966 with only 28 students. This graduate school was the first in southwestern Ontario, where trained social workers were in great demand. To date the school has graduated 1,730 MSWs, who are providing leadership to local and national social service agencies.

Recently a doctorate of social work program was introduced. As the second doctoral program in English-speaking Canada, the first being here at the University of Toronto, it is designed to prepare future academics, policy-makers, senior administrators and advanced practitioners in the social welfare field.

The centre for social welfare studies, established in 1986, links the school's research program with the community and has been involved with the Better Beginnings, Better Futures program operated by the Ministry of Community and Social Services.

The Easton McCarnie lecture series, which this year will be held tomorrow, is an annual public lecture series on a wide range of topics related to social policy. They have had prominent speakers, including the present Premier. As one among the faculty's many graduates, I am proud of its many accomplishments.

ONTARIO HYDRO LEGISLATION

Mr McGuinty: The Minister of Energy will be making a statement today. I want to speak to the origins of that statement. Members of a powerful lobby group, the Municipal Electric Association, representing 312 public utility commissions, on Sunday past issued a written ultimatum to the minister which said in effect, "If you make a suitable statement in the Legislature within the next 48 hours, we will stop our public campaign against Bill 118 and our chair and our president will each write you to thank you for your wonderful openness and to say we so look forward to working with you."

Yesterday, with the 48-hour deadline running out, rather than making a statement in the proper way through a ministerial statement before question period, a format which allows for response by the opposition parties, instead of following the usual procedure and instead of accepting our party's offer, made in this House yesterday, to allow him extra time to make a statement at the usual time, the minister, to use his terminology, used neither the back door nor the front door. Instead, he used a tunnel.

After the time for ministerial statements had passed, after question period was over and after the minister had removed himself from this House, we the members of this House and the people of Ontario learned of this minister's amendments to Bill 118 through a backbencher in his party.

We can only hope this minister and this government now recognize the gravity of the impropriety committed by the minister in attempting to bypass the rules and traditions of this House. We can only hope something like this never occurs again.

MINISTER OF COMMUNITY AND SOCIAL SERVICES

Mr Carr: I rise today to condemn the Rae government and in particular the Minister of Community and Social Services. In the throne speech, the Rae government said, "We will deal resolutely with violence against women and children."

Theresa Greer, the executive director of the Halton Women's Place, sent a letter to the Minister of Community and Social Services on July 11 of this year. The letter was lost by the minister's office. On August 7 another letter was sent. The minister's office lost that one too. On August 12 another letter was sent. It went astray as well.

Theresa Greer of the Halton Women's Place says it best when she says, "Given the steps taken to date, I was quite dismayed to discover that the seemingly elusive letter has, as yet, not reached the minister and therefore my request for an interview has not been responded to."

In the throne speech the government said it is a government that will listen to the people and respond to their

needs to the best of its ability. The actions of the Minister of Community and Social Services show very clearly that the Rae government has no ability to solve our problems. I call on the Premier to appoint a new minister, who is capable of getting results in the Ministry of Community and Social Services.

ONTARIO SUMMER GAMES

Mr Frankford: Mr Speaker, as you are aware, there is a great tradition of supporting amateur sport in Scarborough. Within our city there are many sporting and recreational facilities and organizations.

I am very pleased to draw to the attention of this House that Scarborough has been selected as the site for the 1992 Ontario Summer Games. The games are held every two years and will have almost 3,000 young athletes aged between 14 and 20 competing in over 20 different sports. Last week I was very pleased to be able to present a cheque for \$500,000 from the Ministry of Tourism and Recreation to assist the city of Scarborough in hosting the event. It is good to see the ministry encouraging this event, which will be a real boost to young athletes across the province and to sports organizations.

For many of the athletes the games are an important step in their careers. From there, some will go on to the 1993 Canada Games. Many of Canada's Olympic best got their start at the Ontario Summer Games.

I would like to acknowledge the hard work that staff from the ministry and the city will be putting in before the event on August 20 to 23 next year, and the involvement of many volunteers. As I said, we have a fine range of stadiums and facilities and we have an enthusiastic population. We look forward to welcoming athletes, their families and supporters from all across the province.

CERTIFICATES OF CONGRATULATION

Mr H. O'Neil: Mr Speaker, I rise on a point of personal privilege, not only as it relates to me but also as it relates to all the members of the Ontario Legislature. It deals with the congratulation plaques that are being sent out through the Ministry of Government Services on behalf of, I understand, the members of the Ontario Legislature, signed by the Premier.

Just as of the last couple of weeks these plaques have had their wording changed so they no longer state, "On behalf of the Ontario Legislature, I, Bob Rae, congratulate you." The wording has been taken out so that they are, I feel, more politicized. They state that they are from the Premier himself. Also, now these plaques do not state the date they come out on. They do not say where they are dated. They do not give the day or the month or the year. The Premier may not be aware of this. I will send this over to him so that correction can be made on it.

The Speaker: I appreciate the point of privilege raised by the member for Quinte. This matter might best be dealt with by the standing committee on the Legislative Assembly. Perhaps the member would consider forwarding it to the committee so that all-party committee can take a look at this matter.

Mr H. O'Neil: On that same point of privilege, Mr Speaker: I will make sure the standing committee on the Legislative Assembly has a look at it, but I felt that out of courtesy the Premier should also be made aware of some of the things his staff are doing.

EXTENSION OF RESPONSE TIME

Hon Mr Cooke: In the same spirit of co-operation, Mr Speaker, there has been an arrangement with the three parties that the response time today will be increased by two minutes.

1350

STATEMENTS BY THE MINISTRY

GOVERNMENT SPENDING

Hon Mr Laughren: Our government has a commitment with the people of Ontario to manage the province's affairs openly and directly. We have begun to involve Ontarians in finding solutions to a wide range of challenges that we face.

It is with this commitment to openness and dialogue that I am informing members today of adjustments we are making to our spending plans. These midyear adjustments are a common practice of business and governments. They are being made now to manage the expenditure pressures which we are facing as a result of these extremely difficult economic times.

As members know, the recession has had a major economic impact on Ontario and placed enormous pressures on government spending. In particular, our commitment to social assistance has become more costly to sustain. Today, almost one million Ontarians rely on social assistance, many of them for the first time in their lives.

Expenditure management has been made even more difficult by the federal government's capping of transfer payments, which resulted in a shortfall of \$1.6 billion this year.

Midway through the year urgent pressures and increased statutory obligations have made it necessary to review and adjust our spending in order to meet our budgetary targets and foster economic recovery. These pressures include \$240 million in additional spending for social assistance, \$53 million in extra costs for firefighting in northern Ontario and \$215 million to cover the increased cost of pensions for Ontario teachers. These costs are a legal obligation for the province.

Besides those statutory obligations, we have had \$35 million towards a new initiative to fund farm assistance, as I announced in this House yesterday, and \$57 million in additional funding to support a variety of other pressures, including dealing with the Ontario Human Rights Commission backlog and the government's older worker adjustment program.

When we presented the budget earlier this year, the government made a commitment to actively fight the recession and to protect people from its effects. We are committed to maintaining health services, education and social programs.

With the measures I am announcing, we will stick to our budget plan, maintain our anti-recessionary measures, meet our spending targets, encourage economic renewal

and free up funds to manage the pressures that I have identified. To do this, we are redirecting approximately \$600 million this year. This represents an adjustment of about 1% of our total budget. All government ministries are participating in this process.

We are reallocating money from the following areas:

There is a \$100-million reduction in operating budgets for supplies and equipment, consulting services, travel, advertising and communications. This is an immediate and permanent reduction averaging 5% in ministry budgets this year. It will be increased to 10% for 1992-93 and will result in an estimated \$300-million cut in spending over the next 18 months.

There is \$40 million in savings achieved by ministries managing and absorbing a portion of their current salary budgets. This year, the average salary settlement was 5.8%. We have given ministries a 5% increase in their salary budgets, with the understanding that the remaining 0.8% will be managed within the ministries themselves.

There is \$460 million in redirected spending based on a range of saving opportunities. These include \$50 million owing primarily to local school board delays in implementing their junior kindergarten programs, \$85 million as a result of the late startup of the wage protection fund due to a delay in legislative approval, a \$35-million saving on public debt interest payments as a result of good management of our borrowing program, and \$50 million as a result of delay in passing legislation on proportional value pay equity. We remain committed to the pay equity initiative. I want to assure members that the money for this will be provided once legislation is passed.

This \$460 million is available for a number of reasons. As noted, some new programs have not proceeded as quickly as anticipated due to delays either in government or among transfer payment partners. In some cases, legislation has not yet been passed.

I can assure members that these adjustments will be implemented without sacrificing urgently needed programs and services. In particular, I want to note that we will be maintaining public hospital system support levels for 1991-92 as previously announced.

These measures will enable us to keep our budget expenditures at \$52.8 billion and will help us further our goal of encouraging economic renewal in this province. We continue to be committed to a deficit target of \$9.7 billion. Full details of the revised budget plan will be provided in the Second Quarter Ontario Finances.

These actions are also consistent with the commitment which I made in the budget to establish an open and active approach to expenditure management. Our goal is to ensure quality service delivery and greater efficiency in the public sector. To move in these directions, we have initiated two strategies. The first strategy is to seek greater involvement of our employees, their bargaining agents, transfer payment employers and their staff and unions in addressing the issues facing the government. The second strategy involves rigorous and comprehensive policy and program expenditure review as part of the preparation for the next budget.

The experience, co-operation and participation of our employees and transfer agencies is needed to effectively address the fiscal and program challenges that we face. In recent weeks we have been meeting with public sector unions and employers to share with them our concerns and to impress upon them the importance of negotiating collective agreements which are affordable and fair to employees, employers and taxpayers.

My colleague the Chairman of Management Board will announce today the government's directions in introducing greater organizational efficiency, as well as our policy on wage increases for elected officials, political staff and senior management executives within the public service.

There must be changes in how this government operates, what it does and how it spends tax dollars. That is why the newly created treasury board, which we announced in the budget, has begun to work with all ministries to undertake an extensive program review. All major programs and expenditures are subject to review. This activity will become an integral part of the government's ongoing financial management and budget planning.

Through the reviews we want to ensure that spending is in line with the government's fiscal framework and consistent with our priorities of rebuilding the economy while maintaining programs that promote social justice. We are determined to realize cost savings which can be directed to achieve government priorities, and we want to identify ways of improving programs and services for the benefit of all Ontarians.

Initially these reviews will concentrate on programs which are experiencing rapid rates of growth, such as the Ontario drug benefit program, government funding for hospitals, commercial health labs and other insured health benefit programs. We firmly believe that if we are going to save medicare, we must begin by controlling its cost.

In addition, we will be reviewing expenditures for consulting and professional services, as well as government communications and advertising.

Ministries are being encouraged to involve their partners, clients and employees in their reviews. Closed door management is no longer acceptable. We will actively encourage input and co-operation to make the best decisions.

Wherever savings can be found, they will be made. Where the need is great, or becomes greater still, we will continue to tailor and redirect our spending, as necessary.

Let me reiterate that we will continue to manage our finances while providing the important services needed and expected by residents of this province. We will continue with the anti-recession program announced in this year's budget.

We must face the reality of these harsh economic times. These latest measures are intended to meet the financial pressures for this fiscal year. However, I can assure members we will take further action if and when it is needed to meet our fiscal objectives.

We have pledged to take the lead and work in co-operation with labour, business, communities and other governments in achieving economic renewal. These measures will enable us to continue the anti-recession strategy of our budget, support greater equity and fairness and set the

basis for a vibrant economic renewal which brings jobs, training opportunities and investment to Ontario.

1400

ONTARIO PUBLIC SERVICE SALARIES AND BENEFITS

Hon Mr Silipo: The Treasurer has shared with us the province's financial picture as well as the series of initiatives that we are undertaking to manage the financial challenges we face.

In keeping with the Treasurer's message of asking all government ministries to make fair adjustments, I want to tell the House about this government's approach to public sector wages. I also want to tell the House about our intention to make the operations of the public service more flexible, efficient and effective.

Our fiscal resources come under additional pressure during a recession. Sound management of our public resources will help us create economic renewal. During times such as these, we have to be more concerned about spending money in the best possible way. We have to manage our resources more creatively. We have to be more innovative.

This recession affects all of us, and Ontarians understand that the challenge of restraint must be shared fairly and equitably. The government of Ontario will take up its part of the challenge.

We have seen other jurisdictions where politicians, senior managers and appointees have received substantial increases at the same time as the wages of average workers have been frozen. We have seen also in the private sector, on average, executive salaries increasing more than the salaries and wages of their employees.

This government believes that leadership in sharing the challenge of restraint must come from those most able to make the sacrifice and those with the responsibility for managing our finances. We are looking for equity in how we share the challenge.

I am today announcing a number of measures as part of the government's approach to public sector wages:

1. For the 1991-92 and 1992-93 fiscal years, there will be no pay increases for MPPs, including the Premier, cabinet ministers and parliamentary assistants. MPPs will receive a retroactive 3% increase for the fiscal year 1990-91.

2. For 1992, pay for deputy ministers and the approximately 2,000 most senior managers in the Ontario public service will be frozen at the 1991 level.

3. For 1992, ministers' allocations for political staff will be frozen.

4. For 1992, pay for approximately 120 persons appointed to government agencies, boards and commissions will be frozen.

These measures show that the government, as the second-largest employer in Ontario, intends to lead by example, but not by the example that has been set in other jurisdictions. There they have effectively shut down the collective bargaining process in bad times and have imposed wage controls.

I want to make it very clear that this government believes in collective bargaining. I want to show that the

collective bargaining process works during bad times just as it works during good times. For the process to work during times such as we face today, people need to know the problems. They need to know the fiscal realities. They need to know the facts in order to make reasonable decisions at the bargaining table. That is why we are talking and will continue to talk to public sector employers. That is why we are meeting and will continue to meet with public sector union leaders.

We spend 45% of the provincial budget, or almost \$24 billion, on salaries and benefits for government employees and people such as teachers, hospital workers and municipal workers who work in the broader public sector. Each 1% average increase in combined Ontario public service and broader public sector wages costs provincial taxpayers almost one quarter of a billion dollars.

We are aiming for low wage settlements in forthcoming negotiations with bargaining agents in the Ontario public service. We are confident that they will understand the fiscal difficulties which we face and will work with us to achieve negotiated collective agreements that are fair to both our employees and our taxpayers.

We also want broader public sector union leaders, employers and workers to consider seriously the fiscal realities that we face and to incorporate them into the many and various collective bargaining processes that are under way and will soon be under way for future negotiations.

We know that cost adjustments in the government involve more than having an approach to public sector wages. As a government, we have to look at our own internal operations. We are considering measures to cut costs while at the same time making the public service more effective, efficient and flexible.

Among such measures are redeployment of resources, enhanced and innovative management practices and streamlining. We are also undergoing a fundamental rethinking and redesign of business processes to more fully use the capabilities of information technology.

Here too we want to involve our employees and their unions and associations in seeking solutions to the fiscal problems we face. We want to do this in the context of our continuing commitment to equity and fairness in the Ontario public service. That process has already started by way of employee relations committee meetings at each ministry. These are joint union-management committees. I am pleased to inform members that the Premier has asked every minister and deputy minister to convene these meetings specifically for the purpose of discussing ways to enhance government operations.

The Treasurer has made it clear that sound fiscal management is not just reacting to problems. Sound management involves constant monitoring and the ability to recognize problems and correct them before they become serious. Equally, sound management means involving all parties, management and workers, in the setting of priorities and the adjustment of spending patterns.

I am convinced that all of us, members of this House, broader public employers and public sector workers, will take this responsibility seriously and act in the interests of the people whom we all serve, the residents of this province.

ONTARIO HYDRO LEGISLATION

Hon Mr Ferguson: When I opened debate on Bill 118, I indicated that the government would be listening closely to what was said. I also informed the House that the government would be responsive where appropriate. We are responding.

The changes that will be moved during committee will make it clear that the intent and purpose of the legislation is to provide the framework for a new partnership with Ontario Hydro and remove the barriers to the implementation of our new energy directions. The primary goal of these new energy directions is to protect the environment while ensuring that the province continues to have a reliable supply of energy at reasonable prices.

We propose to make it perfectly clear that any policy directive that is issued must relate to the corporation's exercise of its powers and duties under the act and not lead to an extension of those powers and duties by means of government directives.

I have had the opportunity to meet with the representatives of the Municipal Electrical Association and a number of other stakeholders in this process, and I want to tell members that we as a government are responding to their concerns. We will continue to listen as the legislative process unfolds.

The government shall also move some minor wording changes dealing with the substitution of other forms of energy for electrical energy. The government is determined to proceed with changes to the act that will enable Ontario Hydro—

Mr Bradley: This is not what you said in the union halls in St Catharines.

The Speaker: Order, the member for St Catharines.

Hon Mr Ferguson: Mr Speaker, do I have to compete with this guy day in and day out? I want to tell the member how it works here. We have our turn and they listen, and then they have their turn.

Interjections.

The Speaker: Order. Would the member sit down.

Interjections.

The Speaker: I ask all members to come to order.

Interjections.

The Speaker: I ask the members of the House to come to order, please. If members are not capable of coming to order, then we will have to take a recess.

To answer the Minister of Energy's question, yes, we do have to put up with each other. I would trust and hope that would be in a little calmer and more reasoned approach than we have seen in the last couple of minutes. I would ask all members of the House if they could restrain themselves from pearls of wisdom and allow the minister to complete his remarks and then we can have the responses from the opposition parties.

Hon Mr Ferguson: In conclusion, the government of Ontario is determined to proceed with changes to that act that will enable Ontario Hydro to encourage fuel substitution because this could save over 700 megawatts of electricity by the end of the decade, an amount roughly

equivalent to a Candu reactor, but at considerably less cost to the electricity customers than building new supply and enough to supply the electricity needs of a community the size of Ottawa.

1410

RESPONSES

GOVERNMENT SPENDING

Mr Elston: I wish to thank the Treasurer for providing us finally with an answer to what several hundreds of millions of dollars has meant. He would not tell us last week. Far from being open and consultative, he has been rather close-mouthed about all of the things he was doing as we led up to this grand announcement today. It is interesting that they have chosen to provide us with at least part of the picture as they see it today.

But as we look at one of the documents—a document I was able to recover from his spin doctors' area, I guess; we have all of the communication messages that he wishes to put out through his caucus officials—it is interesting to note that at one stage the suggestion is that there will be, if necessary, even further changes made when those items arrive on his doorstep. It seems to me that what we have today is only partly a confession about how far off their budgetary target these people actually are.

In Ontario, it looks like the piper is setting the tune, but the taxpayers are paying the price. This stuff is really interesting reading. This group of people—

Interjections.

The Speaker: Order.

Mr Elston: It is unusual but in this new Parliament and this new era of no finger-pointing, a kinder, gentler era, the New Democrats figure they can push us around a fair bit. I am suggesting that I am only going to outline for the public of Ontario the stuff that the government members have been told to tell the public. "Is this just fat-cutting?" it says. Answer to question 86 is, "No, we are closely scrutinizing our planned spending and are making decisions for reallocating money that have the least impact on people we serve."

All of this stuff is really interesting, but what it tells us is that there is not an independent thought among those people at all, that they have to really bow and scrape to the people who are spinning the story out of the Premier's office and out of the office of the Treasurer.

It seems to me that what we have not quite got yet is the full story behind all of the problems that an unaware group of people sprang on the people of Ontario in April 1991. It seems to me, after eight months leading up to their first budget, they should have known what was going on in this province. Now, some five months later, as they tinker around with some of these things, they should have the nerve to tell us the full story.

Perhaps there will be another day when I come back to ask the Treasurer whether his accusations about things being spot on, as they were suggested to be when he told us that. Certainly there are things in here that lead us to believe that the message is softened around the edges so that these people can retrace their steps if they have to,

when the Treasurer comes back to this House again to explain how far gone wrong his whole economic scheming has really been.

While I am on my feet, I just wish to note one really good thing about this statement. The party that has long stood for universality of everything has told all its caucus members to go out and explain that essential services are being maintained, but what these people are doing is ending universality in health care. The types of paragraphs which were underlined by the Treasurer as he said, "All of these items are under scrutiny," ie, being controlled, mean there will be an end to the day when people can count on this government to deliver universal health care in this province. That is why he underscored that particular paragraph. That is why he put his emphasis there. That is why he chose to underscore the areas of real concern. For universality there may yet be a very big problem to come.

The Minister of Health, who I am aware has every intention of doing her best work, is about to be forced by that Treasurer and the member who is at Management Board to undo the things that were done in great ways through the 1960s, 1970s and 1980s. For me, this is a bit of a sad commentary as they refuse to tell us their true intent through this little statement. This tinkering they tell us about now is a forerunner of bigger things to come in health care. I am concerned that they will not share their full plan with us. I am concerned that they have refused to bring into this House, at an earlier date, their plans for long-term care. I am concerned that day by day we have to extract bit by bit, piece by piece, the details around the thinking in that organization.

What it means is there is no overall plan to direct the economic activity of this province. There is no overall plan to deal with the budgetary plan of this province. In fact, far from doing the things they said they stood for in April 1991, far from being the things they stood for in August and September 1990, this government is doing things which the people of the province will not find out about for several more months hence. It is our duty to try and pry as much of the detail from these people as we can. These people, because they merely say they are being open and consultative, cannot be believed, if you go by the series of answers that were delivered in this House in the first week as I tried to get at the basis upon which cuts were being made.

It looks like this is a "use it or lose it" economic statement. It basically says, "If you haven't spent it, I'm taking it back." He says, "There is a delay in spending this, a delay in spending that, so we are taking it back." A full 10% of the value, I think it is, of the anti-recession program is going to come from slower spending in health capital, some \$70 million. To me, that is like taking that material out of that area and reapplying it against his anti-recession program, with the same result—still costing jobs in our economy.

1420

Mr Sterling: Before this statement was made, I was hopeful that the Treasurer and his colleagues would come forward with something that would make the people of

Ontario optimistic about the future. I thought perhaps the Treasurer had come to his senses and was ready to face the music. We have seen today in terms of his statements that he has not accepted his responsibility in terms of fiscal management for this province. All he has done today is delay the inevitable. He has done nothing today to restructure the basic problems of the debts and the revenues this province is engaged in in order to provide the necessary programs for its people.

Today, for instance, we saw a \$240-million enrichment of the teachers' pension fund. This government insists on helping those people who are earning \$40,000, \$50,000 or \$60,000 a year, while avoiding meeting the needs of pensioners, aged people and our health care system.

Last April the Treasurer had all the facts in front of him in order to determine what budgetary decisions he should make. Those same facts are present today. He knew what the federal government was doing with regard to transfer programs. He knew what other provinces were doing with regard to holding down their expenditures. Yet this province and this Treasury decided to do something else. As a result, he should find no surprises, save and except some very minor ones, with regard to his shortfall in revenues and in terms of expenditures. He had the facts to determine that his social welfare payments would be what they are today, yet he finds himself short on money and therefore having to take these very temporary measures.

Many of the measures he is taking today are merely a postponement of paying the bills from this year to next. A prime example is the wage protection fund on which he plans to make payments next year instead of this year, yet it is still a liability of this government.

Perhaps the most important matter we should be discussing today is the confidence of the people who generate wealth in this province in this Treasurer, in this Premier and in this government. Today's statement does nothing to restore that confidence, nothing at all.

I find one of the most tasteless parts of this whole speech and show today is the whole attack with regard to payments or increases in MPPs' salaries. We have across from us 72 members of the government. Not one of those members receives only an MPP's salary. Every one of those members has another sinecure. Cabinet ministers are earning the equivalent of \$117,000 in this province. The Premier earns the equivalent of \$124,000 in this province. Each and every government member in this Legislature has essentially received a 30% increase in his salary over the last single year. I would challenge any member on that side to provide the figures to me and I will show him that is the case.

For them to preach restraint when in fact they are at the trough is absolutely unacceptable. If this Premier and this cabinet want to engage in the tasteless political trick of plying to the public on MPPs' salaries, I suggest they do as the Prime Minister and his cabinet did in 1987 and take substantial pay cuts.

Mr Stockwell: In April we had a \$9.7-billion deficit. That deficit was intended to jump-start the economy of this province to fight our way out of the recession. On the date of that budget there were 893,000 people in Ontario receiving

social assistance payments; in July there were 961,500. In the months of that budget, 85 layoffs affected 8,300 people; by August those numbers climbed to 150 layoffs affecting 16,000 people. In Ontario, 40,000 workers a month are exhausting their unemployment insurance benefits, by between 10% and 13%. That \$9.7-billion deficit did nothing to jump-start this economy.

The \$600-million tinkering plan of the Treasurer will do equally as little; absolutely nothing. The Chairman of Management Board says he is going to get tough with the employees. It is too late. They gave them a 14% increase in payroll last year. It is closing the barn door long after the horse has gone. They have to get it together. If it is going to save, it better roll back.

ONTARIO HYDRO LEGISLATION

Mr Jordan: I ask the Minister of Energy once again to please withdraw Bill 118. This bill is so flawed that he could not get his own government people to accept it. The minister is saying he needs it to remove the barriers so he can have power at a reasonable price in Ontario. What barriers? He has his own chairman, his own chief executive officer and he has loaded the board with his members. What barriers is he talking about?

ORAL QUESTIONS

GOVERNMENT SPENDING

Mr Elston: I notice with some interest that the Treasurer has tried to continue to say that he is fighting the recession rather than the deficit, that his directions or instructions to his caucus colleagues are to make sure they tell everybody, "We're not spending less." That is right here under "Other Points to Remember." Can the Treasurer confirm that in dealing with other areas of capital allocation, in colleges and in health, he was only able to retain his \$700-million capital anti-recession program intact by those other ministries having sacrificed their capital budgets so that his alone would survive?

Hon Mr Laughren: Absolutely nothing could be further from the truth, which perhaps should not surprise me. The member should know that any of the capital holdback was only because it could not be spent in this fiscal year. Perhaps the member opposite would insist that we go out and spend money whether it was appropriate to spend it at this time or not. This government does not share that view.

Any kind of capital expenditures that are not being made, are not being made because the work simply will not be done in this fiscal year. It is not an attempt to decimate the capital expenditures whatsoever. We feel very strongly that the capital aspect of the anti-recession package is very important to start the whole process of economic renewal in this province. We feel very strongly that those were selected on a priority basis, and there is no attempt to cut back on capital expenditures. That is simply because of delays in construction, planning and so forth, not because we are taking back money on capital expenditures.

Mr Elston: I have been involved in the business of managing expenditures and I know exactly who is in control of approvals. You, Mr Speaker, will know as well that

the Treasurer of this province is the person who can mandate approvals going out, with the assistance of his ministers. There are some delays which I am told are occurring due to an inability of his people to deliver approvals on plans that have been in front of his various ministries for several months.

Will this Treasurer confirm that his \$700-million anti-recession program is less effective because of the lateness of implementing the capital programs of other ministries, that the jobs he creates are being partially offset by delays that are being forced on the capital budgets of other ministries?

Hon Mr Laughren: I do not know where the member is getting his ideas from. The \$700-million capital expenditure program is virtually all in place. About 85% of it has either been completed, started, or ready to start, perhaps even as we speak. All of that money will be spent in 1991-92. That is our full intention, and there has been no effort whatsoever to slow that down. We want that money to be spent because we believe it creates jobs in the depth of a recession, and also because we think it is important that we are going to trigger economic renewal in this province. We think that is important to do.

The other capital expenditures that are not being done this year are simply because of delays in construction and so forth, not because they are being played off against the anti-recession package and not because we have any intention whatsoever of slowing down those capital projects—absolutely not.

1430

Mr Elston: The Treasurer's remarks about delays in programming seem to fit the bill for most of the areas in which we can look at the savings he indicates.

First, municipalities are going to have to wait another month for payments in lieu of taxes. He has made them carry the burden of his cutbacks in that way by some \$9 million. There is going to be a delay in the legal aid tariff for some unspecified time, and it will be \$4 million borne by other people in the legal aid system. It appears the communities that have been awaiting the relocation of government jobs to their areas are being asked to carry the burden of the Treasurer's cuts by some \$23 million as they await his approval of those movements.

Far from being a partner in these cuts that are being made, he is asking other people to bear the responsibility for his inability to understand how to deliver a budget to the people of the province. What consultations has he had with the municipalities about the lateness of payments? What consultations has he had with the colleges about the change in their base budgets? What consultations has he had with hospitals and others who have been awaiting his largess?

Hon Mr Laughren: First, the member will notice there are not major alterations in our commitments to those transfer agencies, so I think he is being unfair when he implies that in his question. As well, I remind the member that the total reallocation announced today is about 1% of our budget, roughly 1%. I can recall that about a year ago today we learned there was a 5% mistake in what was predicted by the previous government.

Interjections.

The Speaker: Order. The member for Scarborough-Agincourt has the floor. New question.

Mr Phillips: The question is to the Treasurer, just to try to get a good understanding of his thinking on the budget. I think the Treasurer can appreciate that the last few days have been rather unsettling for many individuals out there in terms of the impact the budget might have. Now that we are halfway through the year, I wonder whether the Treasurer can assure the House that he now has a very firm grip on the expenditures and that we will not be seeing any further significant budget changes over the next six months, that this is the final major adjustment we will be looking at.

Hon Mr Laughren: I respond first to the comments of the opposition critic about unsettling times. I really believe previous governments would not have gone through the open dialogue we have had about our expenditure problems. They would simply have been buried and resolved at the end of the year. We are committed to a more open process of talking to the people about things such as expenditure problems, and we intend to continue to do that.

On the question of what happens in the balance of the year, I simply say that to the best of our knowledge what has been laid before the Legislature today is accurate. There are some imponderables that are more difficult to forecast than others, and I will give a couple of examples.

The majority of sales tax revenues are not computed until well into January because of the November-December shopping period, in which there are a lot more sales tax revenues coming in. Second, corporate income tax revenues come in even later because of the way they are reported in the year. It is usually even March before they all come in. Finally, there is that volatility in which the payments from the federal government are made to the province on the provincial income tax sharing arrangement we have with the federal government.

Given all those precautions, to the best of our knowledge what members see before them is what they are going to get.

Mr Phillips: Just on the openness, I think we will all look back on the stories in the paper over the last few days and wonder where they came from and how they came, because that has contributed to it. I have no idea where they came from, but I think that has contributed to the unsettledness.

As a follow-up to what the Treasurer said, in terms of what his decisions will be if the revenue comes in lower, he will know that the federal government has its first-quarter numbers out. He will know that personal income tax is the number one source of revenue and corporate tax the third largest, and those numbers are substantially lower than the numbers he has in his budget.

I wonder whether the Treasurer could tell us what his plan is if revenues from those two sources come in lower. Is his plan to maintain the \$9.7-billion deficit or is his plan to maintain the spending?

Hon Mr Laughren: That is a good question. First, I want to reassure the member that the stories about the size of the cuts and reallocations that have been around the last couple of days really came because I and the Premier responded to questions from opposition members. We think that is our job in this assembly and we will continue to do that. That is why the stories are out there. Previous governments would have sat tight on them and not announced anything until they were read in the House.

On the more serious question the member asked, about what happens if revenues do not meet our expectations, we have every intention of not allowing the deficit to go beyond \$9.7 billion. We are quite fierce about that. It is our intention to manage our expenditures in such a way that this will not happen.

Mr Phillips: I think there are numbers out of the federal government that will allow the Treasurer to look at his revenue estimates now, but be that as it may.

I think many people were looking at this announcement today as some indication that the Treasurer may be moving off his long-term financial plan. I gather that is not the case. Therefore, I would like the Treasurer to confirm or deny that it is his plan—he is really laying plans now for the next fiscal year—to maintain the deficit at the \$8-billion to \$9-billion range and look at brand-new taxes in the \$5-billion range. Is it the Treasurer's expectation to maintain the fiscal plan in his budget over the next four years that does call for those two things: deficits in the \$8-billion range and brand-new taxes in the \$5-billion range?

Hon Mr Laughren: We had this discussion in the standing committee on finance and economic affairs earlier this year. The member and others should look at the numbers in the budget as a commitment by us not to exceed those deficit numbers, because I think they are high enough as they are.

I say to the member, who is trying to ask a serious question, that the deficit numbers are achieved—no surprise here—by some combination of revenues and expenditures. Whether that combination is precisely what we see in the budget from the spring I do not know, but our deficit goal will be the numbers that are in that budget document from earlier this year.

Mr Sterling: I am not here to celebrate that we are going to hold to a \$9.7-billion deficit and the doubling of our deficit over the next four years when this government is in charge of the Treasury bench.

Even before the Treasurer struck his first budget, he had limited his ability to constrain his expenditures by announcing some very high transfer payments, and also by indicating that he was not going to constrain the operating budgets of many of the provincial institutions and the civil service of this province. Then in his budget of April 19, 1991, he not only promised to maintain the expense base which, in my view, was irresponsible and was formulated by the former government in 1988 and 1989—in some ways I sympathize with the Treasurer. Bob Nixon is in London while the Treasurer is here to face the music. I understand his problems.

But even with the very broad base of the expense floor Bob Nixon had developed in 1988 and 1989, the Treasurer insisted this year on expanding that expense base by creating new social programs, creating new social expenses which we cannot pay for.

The Speaker: Would the member place his question, please.

1440

Mr Sterling: I had hoped that by this time he would have realized the problem he is faced with, that is, that he does not have enough money to pay for the existing promises and continues to expand the base for those expenses.

His leader was quoted recently in a tabloid: "Everybody has to wake up and smell the coffee. We don't have a printing press in the basement." Has the Treasurer woken up and smelled the coffee?

Hon Mr Laughren: I am sorry I missed that quote in one of the three Toronto tabloids.

I did want to respond to my critic from the Conservative caucus in a serious way. He is quite right that when we announced our transfer payments last spring, to the hospitals it was 9.5%, to the school boards it was 7.9%, and to colleges and universities 7.3%. I do not apologize for that. By doing that we maintained essential services in our health care system. We maintained a quality education system at the post-secondary level and at the elementary and secondary school level. I think that is important if we are going to be well placed for economic renewal in this province.

To be fair, the member should appreciate that we are sharing the expenditure problem with the Legislature and with the people in Ontario. Quite frankly, unlike some jurisdictions, we intend to stay within our deficit forecast.

Mr Sterling: I appreciate that. The Treasurer has also maintained the 10,000 new civil servants who have been in place since 1986 under the former Liberal government.

There is absolutely nothing in the Treasurer's statement today which indicates that there are going to be substantial tax increases needed in the next year. Is he intending to introduce substantial tax increases?

Hon Mr Laughren: I was just conferring with the Premier. I did not give him a chance to respond; I jumped to my feet.

It is fair to say, and I do not think it is a secret, that we have just started now, through the process of the treasury board, to look at all the major allocations in government—all of them, without exceptions—to determine what our expenditure base will be next year and therefore, following on that, what kinds of revenues will be required to support that expenditure base. So there really has not been any decision whatsoever on what, if any, tax increases there will be next year.

Mr Sterling: We have heard from the Treasurer, and I believe he is to be congratulated in his last budget by presenting the fact that he expected an \$8.9-billion deficit next year. When we add things up, things that have happened over the last six or seven months, the shortfall, even with all the information he had, we can only come to the conclusion that either the deficit is not going to hit \$8.9

billion next year or he is going to have substantial tax increases.

What the business community, the wealth providers, and the people of Ontario were looking for from the Treasurer today was some kind of indication that he had realized it was necessary to seriously constrain government expenditures. My concern over his statement today is that he has not really restrained very much, if anything, that he has not really met any pain at this time. He has not indicated to the transferees of the substantial transfer payments, decisions he will be making over the next three or four months, that those transfers may not be as great as next year.

Does the Treasurer not think that at this time he should perhaps withdraw the budget he presented on April 29, withdraw the bills he introduced in this Legislature and start afresh so that the people of Ontario—

The Speaker: Would the member conclude his question, please.

Mr Sterling: —the business community, the wealth producers and the people will have some confidence in the Treasurer's ability to predict what is going to happen, and an acknowledgement that the paths he has taken in the past were mistakes?

Hon Mr Laughren: There was quite a bit in the question, but basically it was asking us to change the budget halfway through the year, which I do not think would make any sense. I want to remind the member that the budget we brought down in the spring included in it major commitments to essential services in this province. I have not heard the business community, to which he referred, tell us we should not be maintaining a good health care system, a good educational system and good infrastructure in this province so that we are well placed, when we come out of the recession, to take advantage of an economic renewal on which we are all counting.

I will tell the member something as well. The \$700-million package, the anti-recession program which was designed to create jobs all across this province at the same time as there were 250,000 being laid off in the private sector, we think was a responsible thing to do. Quite frankly it was the private sector that took advantage, and quite appropriately so, of doing those capital works projects all across the province. I have not heard them complain about that.

Mr Sterling: There is no other business around.

Hon Mr Laughren: No, that is not fair. I believe the private sector agrees we should be maintaining those essential services in this province. I continue to believe that.

ONTARIO PUBLIC SERVICE SALARIES AND BENEFITS

Mr Stockwell: My question is to the Chairman of Management Board. I read his statement very carefully. He talks about "flexible, efficient and effective." He spoke about creating "economic renewal" and that "the challenge of restraint must be shared fairly and equitably." Finally one of his better ones was that he intends to "lead by example" in getting tough with the wage package.

He has at least 92,000 employees under his direction. He is talking tough. He has frozen 2,000 people out of 92,000. Those people he froze, the majority of them, received increases of upwards of 11% this year. Would the minister tell me exactly how that is going to fight the recession and show restraint, when he only shows the capacity to hold back 2,000 employee increases rather than the 92,000 who work for this province?

Hon Mr Silipo: Either I was not clear or the member opposite has forgotten about the other half of the statement. What I said in the statement very clearly, and what I want to reiterate for him and members of the House, is that I think we are showing by example the kind of direction we want to set, and yes, we have begun by sharing the challenge we face equitably in terms of the people in senior management, the MPPs, cabinet ministers, etc.

I think that concomitant with that goes our commitment to the collective bargaining process. We are not going to shut down the collective bargaining process because we are in tough economic times. We are going to show that the collective bargaining process can work even in these tough economic times. We are confident that our employees and their unions understand that and we are confident we can get a settlement that is fair to our employees and fair to our taxpayers.

Mr Stockwell: As I said in a response, the horse is gone. He gave them 14% last year. The time for restraint has passed. We get groans from the front benches.

He hired more people. He should have made the decision in April. This Band-Aid approach is not going to solve the problem. The Treasurer stood in this House and said, when the exact option was outlined to him about freezing public sector employees' salaries at 2%, that this would have saved an admitted \$700 million. We would not have to be here today if he had taken the right approach, but the Treasurer said at the time, "No, if we had frozen them all it would have saved \$1 billion, but I don't think that's the solution."

How is the minister going to face the Ontario Public Service Employees Union with the Treasurer saying that to freeze salaries is not the solution? He is going to come back to this House and tell us he is going to bring in a tough negotiated settlement at 2% or 3%. The Treasurer has already scuppered him. He has no capacity to do this because he only froze 2,000. What is he going to bring back to the people of the province as far as a settlement is concerned?

1450

Hon Mr Silipo: What I hope to bring back is a deal that is fair to our employees and fair to our taxpayers. If we were to take to its logical conclusion the position the member opposite is taking, he would be arguing that the time for restraint is over.

We are saying, I think very clearly, that we are still very much in a time of restraint. We are still very much in a time when we need to be very careful over the next couple of years about how we spend our money. I think everyone understands that. We are going to do that in a way that respects the collective bargaining process, but still

delivers on our commitment to be fair to our taxpayers and deliver our responsibilities in a fair and equitable manner.

Mr Stockwell: The time for restraint was about \$9.7 billion ago. It is long since past where he can talk about restraint. The minister has to start acting.

The other point I would like to make to the minister and the question I would like to ask is that he does not want to deal with the retroactivity. He has increased salaries on the payroll of this province of some 14%. He tells me he cannot go back retroactively. Yes, he can. His cabinet has retroactively slammed the landlords in this province. His cabinet is retroactively passing a Hydro bill that will change the Hydro corporation. His cabinet retroactively has talked about the wage protection fund. The government seems to be able to go retroactively when it fits its very narrow guidelines and its political philosophy.

The people of this province are substantially broke. This government is substantially broke. It has \$9.7 billion in deficit. Why can the minister not go back retroactively and deal with the 14% pay hike when the government could hammer the landlords, change Hydro and deal with the wage protection fund? Why can he not do it here when we could save the taxpayers some money?

Hon Mr Silipo: Clearly decisions have been made in the past year, both through the collective bargaining process and in terms of decisions that the cabinet has made and the government has made. I think what we are doing is looking to the future and to what our responsibilities are, and as I indicated earlier, we intend to do the job in the best way we can, respecting the collective bargaining process in those areas where we have a responsibility to bargain and to deliver on our responsibilities to our taxpayers.

If the member wants to speak about the \$9.7-billion deficit and the slash-and-cut approach that he would make, I think he should be the first to be reminded that in a slash-and-cut approach, the people who would suffer are the ones who can least afford to pay for those kinds of issues and who need the support the most.

ASSISTANCE TO DE HAVILLAND

Mr Kwinter: My question is to the Treasurer. Today Sir Leon Brittan, the European Community commissioner of competition, announced they would be blocking the sale of de Havilland by Boeing to Alenia SpA and Aérospatiale SA. Given the fact that his government had made a commitment to save the 5,000 jobs at de Havilland, given the fact that it had made a commitment to invest up to one third in the new company, could the Treasurer tell us what the government plans to do to keep those particular promises that it made?

Hon Mr Laughren: I think I will refer this question to the Premier.

Hon Mr Rae: I appreciate a chance to answer the question. I can tell the honourable member that I have today been on the phone with Michael Wilson. I intend to speak to the Prime Minister later on today to tell him the seriousness with which we take the decision of the EC.

We will be working with all the parties involved, obviously the two prospective purchasers to discuss whether

there is any other possible arrangement that can be made, with Boeing, with the federal government and with any other parties with respect to the future of the company. I think the clear message from this government in terms of our willingness to participate in a one-third participation in the ownership of the company has been that the commitment on our part is there to maintain these jobs in the province to the very best of our ability. That was the commitment we made. We have lived up to that commitment.

We are obviously very disappointed at the decision that was made by the European commission and we are going to do everything we can to see that de Havilland remains not only a viable company, but an effective leader in what we think is a crucial technology to this province and to Canada. We intend to do everything we can to continue in that role.

Mr Kwinter: The reason I directed the question to the Treasurer was that I think that there is a financial implication.

The Minister of Industry, Trade and Technology announced the other day that he would be coming forward very shortly with a new industrial strategy. The response to that by the Canadian Federation of Independent Business was that this industrial strategy was "some cockamammy program designed to give the NDP a warm, fuzzy feeling and little else."

My concern is that the Premier is obviously still going to pursue some sort of financial salvation of de Havilland. He is announcing a financial program, I assume, to implement an industrial strategy. Given the Treasurer's statement today, given the constraints the government finds itself in, how is he going to finance these adventures?

Hon Mr Rae: If the Liberal Party of Ontario is saying that 5,000 jobs and trying to protect as many jobs as possible is an adventure, let the record show that.

We have been working closely with the federal government, whose economic philosophy is well known and is not our own. They have expressed a commitment. I have spoken with the Prime Minister on this matter many times over the last month. He has told me throughout that the federal government attaches importance to this company and will not abandon the province with respect to the de Havilland workers. I would be very surprised if the Liberal Party of Ontario is saying it would do even less than Brian Mulroney with respect to this company.

I would say in all sincerity to the member that the decision that has been made by the European commission is obviously a disappointing one. But I would say to the member for Wilson Heights that it is an investment for this province to maintain our ability to compete in world markets with respect to this technology, an investment that has to be made by the private sector and that has to be made, in support, by the public sector. There is not a country around the world whose aerospace industry is not supported by the public sector in one way, shape or form, and that reality is there.

The Speaker: Would the Premier conclude his remarks, please.

Mrs Caplan: How are you going to pay for it? Floyd has to put the money in place.

Hon Mr Rae: If the honourable member is saying, "Where are you going to get the money?" I can only tell the honourable member that obviously the government is looking very hard at its entire investment portfolio as we begin to look more strategically at what we can do to maintain Ontario's competitive edge—

The Speaker: Would the Premier please complete his response.

Hon Mr Rae: —to maintain our ability to compete in higher technology and to look at those industries that have a strategic value and a strategic future for Ontario. I think it would be irresponsible—

The Speaker: Would the Premier take his seat, please.

NURSING HOMES

Mr J. Wilson: My question is to the Treasurer. What really makes my blood boil when I reflect upon the spending habits of the Treasurer's government is that he was able to find \$500 million to increase the payroll of the civil service over the past year, but he is unable to come up with \$20 million for seniors and the frail elderly in nursing homes.

Seniors have come to his government; they have asked for just 4% of what he has awarded civil servants and he has said no. In his government's speech from the throne, it was stated, "We recognize that saying yes"—to those persons who are vulnerable—"will mean saying no to others whose claims are presented more loudly." How can he possibly justify saying yes to OPSEU but no to the seniors in nursing homes in this province? Let the Treasurer justify that.

Hon Mr Laughren: I do not recall saying no to nursing homes in the province, to start with. Second, the Conservative caucus persists—this is not the first time it has happened—in trying to play one group of Ontario citizens off against another. I think that is a regrettable thing the Tory caucus is doing in this province. It is not a useful exercise to have people out there, all of whom have legitimate needs, played off against others who also have legitimate needs.

All I can tell the member is that we intend to do what we can, given the fact that we are serious about keeping our expenditures under control and in keeping with the statement in the budget about committing to the economic renewal in this province.

Mrs Caplan: Never shuts up.

The Speaker: The member for Oriole will please come to order.

1500

Mr J. Wilson: We are not playing a game over here. The Treasurer's conscience should be bothering him. He said yes to large pay increases for civil servants and no to residents of nursing homes. Yesterday in this House his Minister of Health said she is strapped, she cannot do anything till 1993, she hopes she can, but nothing specific at this time.

The government's reorganization of senior management resulted in pay increases of up to 11%, or \$20 million. Why is it that the Treasurer was able to come up with

\$20 million for senior bureaucrats but nothing for the seniors in nursing homes? Where are the seniors in this province going to live when nursing homes close after October 15? I ask the Treasurer to answer that question. We deserve a response and the seniors in this province deserve to know where they are going to reside after October 15.

Hon Mr Laughren: I do not think the member was in the House yesterday when the Minister of Health responded, and what he is saying is not quite what the Minister of Health said. She did say she would be responding to that issue.

I want to correct the record as well. This province settled with the civil service, the workers represented by OPSEU, for an average amount of 5.8%. If the member was listening, he heard me say today that of that 5.8%, the ministries would be funded for 5% only and the 0.8% would have to be absorbed in the normal expenditures of the ministry. I wish the members opposite would use accurate numbers, not exaggerated ones, when they are trying to make their points.

ASSISTANCE TO FARMERS

Mr Mills: My question is to the Minister of Agriculture and Food. Over the last few months, my office has been packed with farmers from my riding on a weekly basis. They do many things. They are corn growers, apple growers, chicken producers, fur growers, the whole spectrum of farming. These farmers are up against it. I know yesterday the minister announced his emergency assistance package. What is this going to do for the average producer in Durham region?

Hon Mr Buchanan: The member is correct. Over the past number of months he has been talking to me about the farmers from his region and some of the concerns they have. I would like to inform the member, though, that this program we announced yesterday is not geographically targeted; it is a general program which tries to address the concerns across various commodities.

He mentioned apples, I believe, and he mentioned the fur industry. They will both be assisted in some way with this program. Also, of course, the grains and oilseeds sector, of which I believe there is some in his area of Durham, will be assisted. The farm interest assistance program, which was topped up with \$11 million for those people who are in serious financial difficulty, also will benefit producers across the country, including those in Durham. There also is an emergency component to it to help those in serious financial difficulty, and I am sure that some farmers in the member's riding will also be able to benefit from that.

Mr Mills: I am convinced that the farmers in my riding are going to receive this program with open arms, but I guess my supplementary question is, how soon is the money going to get into their pockets?

Hon Mr Buchanan: The cheques are not in the mail yet. In regard to the \$11-million top-up to the farm interest assistance program, that program is an ongoing program and the cheques will continue to go out as quickly as possible. We have already put out around \$40 million of that

\$50-million announcement. This additional money will flow immediately.

In the other components of the program, the money will be able to flow this fall. We tried to use existing programs or other programs in which criteria have already been established, so we expect the cheques can flow probably in November and December, certainly before Christmas.

FUEL SPILL

Mr McClelland: I have a question for the Minister of the Environment. Let me recount some facts that took place last weekend. A resident farmer of Perth county phoned the minister's spills action hotline to inform them that he had a full 1,000-litre aboveground gas tank leaking on his property. He wanted direction from her ministry on what he should do with the leaking tank. He was informed there was no one there to assist him because it was lunch-time and could he please call back later.

At 1:05 pm Friday he phoned the hotline back and was informed by one of the minister's hotline officials that he should phone the regional office in London and it would deal with his concerns. At 3:30 pm, after numerous calls, he was finally informed by somebody in the regional office that he should not move "one teaspoon of contaminated soil until officials of the ministry were there to inspect the site."

However, he was informed that the person he was speaking to only worked until 4:30, and after all, it was the weekend. Possibly he could get back to the office and somebody would be in touch with him a little bit later. Nobody called. He did not hear from anybody from the ministry all weekend while the gas continued to leak, and 1,000 litres of gasoline leaked into the soil over the course of the weekend.

Monday, 8:30 am, the same gentleman called the London regional office and was told that the person he had dealt with was now on vacation. They could not do anything. He spoke to another official, who said, "Maybe we can get out there today and maybe we'll be able to help you out." Late Monday morning, they decided to respond and were given permission by the ministry, by an official, to now move the empty tank with 1,000 litres of fuel leaked into the soil.

The Speaker: Could the member place his question, please.

Mr McClelland: So now there is contamination, and the minister knows the problems that are resulting.

Environmental emergencies do not occur between 8:30 and 4:30, exclusive of lunch-hour, Monday to Friday. Obviously in this case the process to deal with this kind of emergency did not work.

I have to ask, is one of the cost-cutting measures imposed by the Treasurer within her ministry resulting in this kind of incompetence with respect to the hotlines? What is happening with the ministry in terms of response?

Hon Mrs Grier: Let me respond to the second part of that question, because I want to assure the member that certainly none of the allocations and adjustments within our budget have affected our programs.

I am very concerned about the facts that the member has just related. I am not aware of them and he has not given me any of the background or the names and the times. I hope he will do that and I would like to take the question as notice. I will undertake to find out the facts and get back to this House as soon as I can.

Mr McClelland: I appreciate the minister's undertaking to deal with this specific issue. On a more general basis, I would ask the minister if she would undertake at this point in time to examine the processes within her ministry to ensure that this kind of thing does not happen again.

I hope that we will not go through a consultative process. The minister introduced yesterday her long-awaited and much-promised bill of environmental rights in terms of its consultative process. Recently, in Traverse City, the minister said she is really concerned about toxins but she has to consult about it. I would hope we could have some definitive action forthcoming from this minister to direct that this kind of thing does not happen again, not just with this specific situation, but to ensure that it does not happen on an ongoing basis. I hope to have that undertaking from the minister as well this afternoon.

Hon Mrs Grier: The member has been a parliamentary assistant to the Minister of the Environment in the past and I am sure knows quite well that the spills action centre is manned or womanned 24 hours a day and is there on emergencies. The response time is often extremely fast in our ministry. I do not know the background of the situation he has described. If the facts are as he has outlined, I am undoubtedly very concerned. I want to get from him the information that he has, and as I have said, I will undertake to find out what the story is within the ministry and get back to the House.

1510

TAXATION

Mr Carr: My question is to the Treasurer. I think the Treasurer has found out something very important today, that all the social programs that the people of this province are so concerned about do not depend upon the compassion of government, but they do depend on having a healthy and prosperous economy to support them.

I was interested in reading the Financial Post of the 27th, and I will read the members a copy of it. "Ontario's tax competitiveness in manufacturing has fallen farther behind that of neighbouring provinces and US states since the mid-1980s." That is a Conference Board of Canada report.

I also hold up a Canadian Federation of Independent Business summary that said the biggest obstacles business is facing are the total tax burden and government regulations.

My question is very simple: Will the Treasurer commit to the people of this province that he will not introduce any taxes that will hurt the competitiveness of Ontario industries?

Hon Mr Laughren: This government would never knowingly introduce any program that would harm our competitiveness. I think, to be fair, the member opposite should appreciate the fact that the conference board study did not include all taxes when it was comparing the com-

petitiveness. They did not include, for example, payroll taxes, and there are lots of cases where payroll taxes are lower in this province than in other jurisdictions. The conference board admits that, by the way. They are not pretending that this is an all-inclusive study.

To be fair, I think we have a lot going for us in this province in terms of competitiveness that is not just measured by comparing taxes. We have an educational system and an infrastructure second to none in Ontario, and we intend to maintain that.

Mr Carr: The problem is that the business community does not believe the Treasurer. The Canadian Federation of Independent Business says: "This government is good at listening. They parrot back what we say, but then we do not see any results." The Ontario Chamber of Commerce says, "There is a widespread business perception that the full burden of Ontario's tax system has reached the point where other jurisdictions are more attractive." That is on page 13 of the Ontario chamber's recommendations. "The overall objective of the Fair Tax Commission must not be greater tax revenue."

It is very clear that higher taxes mean fewer jobs, and that translates into fewer moneys for social programs in this province. My question again is to the Treasurer. The Fair Tax Commission is looking at this right now. Will he commit to the people that he will not introduce any more taxes that will drive jobs out of the province?

Hon Mr Laughren: Of course we do not want to drive any jobs out of the province; we want to attract jobs to the province. I think the member opposite would agree that it is—

Mrs Caplan: But you're doing it. The only thing you're managing to do is drive business out of here.

The Speaker: Order, the member for Oriole.

Hon Mr Laughren: I wish the leader of the official opposition would put the member for Oriole on the question period list so she can vent her anger in a more constructive way.

Mr Elston: On a point of order, Mr Speaker: The member has asked questions to the Minister of the Environment and other people at times and we do not get answers. It is nice to know that the Treasurer has asked me to put this member in question period. I would like him to keep his Premier in the House for more than 30 minutes for every question period. If he wants to have a real decent time in this place, then he should start pointing his fingers at his Premier, because I am fed up with his stuff.

Interjections.

The Speaker: Would the Leader of the Opposition sit down. Things were moving along reasonably well. If we could just have everyone relax a little, we could conclude the question and response between the member for Oakville South and the Treasurer.

Hon Mr Laughren: Thank you, Mr Speaker. There has never been a Premier as accessible to this House or to the people of the province as the Premier who sits in that chair right now.

Interjections.

Mr Elston: On a point of order, Mr Speaker—

The Speaker: What is out of order?

Mr Elston: What is out of order is that he is suggesting things that are completely not true. It is not true that the member for York South is available to this House. He has not been here more than one day this week. He was here two days last week.

We are not going to take this type of shenanigans any more. They cannot create some kind of illusion for that person. He is not paying any attention to this House. He was off in Skokie, Illinois, on Monday. He was at the ball game last night, but he was not in this House. He was in his office yesterday during question period, his itinerary told us. But he had better start coming clean with the people. He cannot take us down that path any more.

Interjections.

The Speaker: Order. There is nothing in the standing orders that directs the Speaker to be involved in members' attendance. I do appreciate that it is a point of contention between two sides of the House. The clock continues to tick and the Ontarians sitting at home in their living rooms, 350,000 of them who watch us every day, would, I am sure, like us to continue with questions and responses.

Hon Mr Laughren: The member for Oakville South asked a good question, a most appropriate question and a serious one. I want to assure him we are very much aware of the whole competitiveness question of Ontario vis-à-vis other jurisdictions. That is absolutely critical to us. If we are going to have a competitive province and are going to be able to put ourselves in place for sustained economic growth and economic renewal in the years to come, I believe we simply must maintain our level of education and of the infrastructure that is in place, including post-secondary education, I might add.

As well, we get a lot of comments on how the health care system in this province makes us a lot more competitive than a lot of other jurisdictions. It is time we started saying that.

The Speaker: Could the Treasurer conclude his remarks.

Hon Mr Laughren: Finally, I want to assure the member that I do not think anybody has met with the business community and been more accessible to the business community over the last year than I and the Premier.

NON-PROFIT HOUSING

Mr Fletcher: My question is for the Minister of Housing. The need for affordable housing continues to be one of the most pressing problems we face across Ontario. In my own riding there are far too many people who do not have access to safe, secure and affordable housing. During recessionary times the demand for affordable housing rises sharply.

I know her ministry, in co-operation with many community groups, is continuing to develop much-needed housing. However, it has come to my attention that the deadline for the Homes Now program, which was to provide up to 30,000 non-profit housing units, expired yesterday. What happens to those projects which have been

working towards commitment but have missed yesterday's deadline?

Interjections.

The Speaker: Order.

Hon Ms Gigantes: I am pleased to recall for the members of this Legislature that the Homes Now program, which was started by the previous government and which had a commitment of 30,000, was extended, in terms of the deadline for the program, as of last October by our earlier Minister of Housing. The deadline is indeed September 30. As of August 1990 only 5,000 units had been committed under that program. As of the end of this week, we expect 25,000 units will be committed. We feel we have made great strides forward in this year.

The allocations that still can be made will be made on a case-by-case basis. We have had a lot of applications from community-based groups, as the member points out. They will be considered on a case-by-case basis from now on.

Mr Fletcher: Exactly how many of the units that have been committed actually have people living in them now?

Hon Ms Gigantes: I am pleased to report that 7,000 units are now completed, and we expect a full 30,000 to be completed by 1993.

MENTAL HEALTH SERVICES

Mr H. O'Neil: My question is to the Minister of Health. It relates something today with the Treasurer's announcement about universal health care and long-term health care.

Last June, I made the minister aware of the large number of suicides in the Hastings and Prince Edward area: Seven teenagers and 22 adults committed suicide over the course of one year. At that time she promised to look into the matter to see if she and her ministry could provide assistance. I also mentioned that the Hastings and Prince Edward counties' mental health program had a waiting period of approximately three to six months for mental health counselling dealing with suicidal tendencies and sexual abuse. I am told by many of my members that these same conditions exist in other ridings across the province.

What has the minister done to eliminate this problem?

Hon Ms Lankin: The member raises an important issue, one which I took seriously when he raised it at the time. We did take a look at the mental health budget and the programs that are in place in that area.

I think all of us agree that spending in that area needs to increase over a period of time, but we have to do it in a way that recognizes there is an overall allocation within the health budget right now, and it has to be done by slowing growth in some of the high-growth areas. That is part of the process we are doing, trying to find money for reallocation.

Specifically with respect to the community the member raised, the member knows we have spoken about it since. When he alerted me that he was speaking to some people in the community and was hoping for a more positive response from me in terms of actual dollars at this time, I indicated to him that I was unable to provide any particular grant right now but I would try to get someone from the

ministry to work with the district health council and the community mental health agencies there to look at how the money is being spent to see if there is a way they could reallocate within their own program to address this very important need in that community.

1520

Mr H. O'Neil: I realize the minister is telling me she is going to be looking at it, but that is basically what she told me four or five months ago. They tell me that the waiting lists now, rather than being three or six months, have gone up, in some cases, to approximately nine months.

Years ago, when we were in government and the members opposite were in opposition, although the minister was not there, if there were one death in the community or one person held up from being operated on—here I have 20-some people in a matter of one year, not only in my riding but in the riding of the Minister of Agriculture and Food and the riding of the member for Prince Edward-Lennox-South Hastings, 20-some people who have committed suicide and the minister is telling me she is going to have another look at it and see whether she can get some help or allocate some more dollars.

I appreciate the minister's intentions, but we cannot wait. We have to have something done on it. It is an important matter. I would hate to come back to the House in a week or a month or a few months and say, "We've had another suicide and the minister hasn't done anything about it." Let's get off our butts and let's get moving and get something done about it.

Hon Ms Lankin: I can understand the frustration the member is expressing. I did not say or commit that I was going to look at it again. In fact, I looked at it and was unable to provide any more money at this time. What I did indicate is that we would offer assistance to help the groups in that area see if they could designate or target some of their programs to this, if that is felt to be an area that is lacking and needs more assistance.

At this point, I cannot find more dollars to put into a program until—

Interjections.

The Speaker: Order.

Hon Ms Lankin: Thank you, Mr Speaker—until we successfully work together to try and bring down the rate of growth in some of the institutional areas and other areas.

There are no new dollars. If the member will look at the budget, we have increased dollars in this area. I would hate for him to come back in a week or two weeks and tell me someone else has committed suicide. I am sure he or someone in this House, or maybe even in my own riding, will be able to say that. These are very difficult times. People are facing incredible human problems out there. I look to the north and I see the people facing problems. I look at native communities. In terms of the rate of suicide, it is very serious. We are trying to designate money towards that, but there is not new program money that I can give to the member's riding at this time.

EDUCATION PROGRAM EVALUATION

Mrs Cunningham: I have a question for the Minister of Education. The Minister of Education has stated publicly that Ontario will not participate in the national school achievement indicators program because the test will not match the demographic profile of students in the province.

Last evening, on The Journal on CBC, the Honourable Jim Dinning, the Minister of Education for Alberta stated—

Interjection.

The Speaker: The member for Oriole, please come to order. Will the member for London North take her seat for a moment, please.

Interjection.

The Speaker: I asked the member for Oriole to please come to order. I am trying to hear the question as posed by the member for London North and I would appreciate your co-operation in being able to do that. The member for London North.

Mrs Cunningham: Thank you, Mr Speaker. I will try again.

Last night, on CBC's The Journal, the Honourable Jim Dinning, the Minister of Education for Alberta, whom I know the minister has been in touch with, stated that the Council of Ministers of Education, Canada, could accommodate Ontario's concerns about gender or racial bias and the length of time a student has been in Canada.

Given the short time frame right now and in light of that statement and in light of the positive statements made by the Premier last Thursday, I am wondering if the minister will take the opportunity at this time to advise this House of how the discussions on national testing are progressing and whether she is seriously reconsidering the decision not to participate in the national testing program.

Hon Mrs Boyd: From the very beginning our position has been that if we can come to an agreement among the ministries of education around the issues of demographics, the consultation period, the curriculum tie, all of those issues that are so important in this, if we can come to that agreement we certainly will be prepared to go back into an active stance from our observer stance.

I asked for that in December. I asked for it again in February. Finally, when we had our meeting last week, the rest of the ministers, who of course had begun to encounter exactly the same difficulties in selling this to their own provinces, agreed to try to negotiate a settlement. The position we are in right now is that we will meet again before Christmas. Our deputies are charged with trying to come to an agreement in a memorandum of understanding to which we are all bound in terms of the project.

The Speaker: Would the minister conclude her response, please.

Hon Mrs Boyd: If that occurs we will go ahead with it, but if it does not occur we will maintain our observer status.

Mrs Cunningham: I am obviously encouraging the minister, in the best way I can, to come to some kind of agreement. It was pointed out to me just yesterday by a

group of parents from the North York board that indeed in some of our schools—and parents are very concerned about this matter—there is a lack of marking going on around correcting spelling. It may seem like a simple matter, but these are the kinds of questions I think the public is not quite up to speed on when it comes to the kind of expectations we have in our school system, and they of course vary from community to community.

We are looking at standardized testing results, certainly internationally—and we have some results there—and we certainly know about the Benchmarks project in Ontario, but I think at this time in the history of our country parents are very concerned about how we do match up across Canada. I would just like to encourage the minister, and perhaps she would take the opportunity, to tell us whether she has been able to get the teachers to talk more positively with regard to the demands, I would say, by parents that we do have standards within our system and that they are measured across the country.

Hon Mrs Boyd: I think the member is well aware that teachers are also concerned about accountability and they are tired of the attacks on them by the Conservative right that they are not concerned about accountability. Teachers in this province are very concerned about that, but they are equally concerned about the way in which standardized tests have been used to further disadvantage the marginalized in our society, and that is what we intend to protect them against. We are absolutely in concert with our professional teaching partners when it comes to ensuring that any testing that is done does not further marginalize children.

ATTENDANCE OF PREMIER

Mr Mahoney: On a point of privilege, Mr Speaker: You will note that during the question period there was some acrimony over the absence of the Premier. I would like the Speaker to help me out with a ruling.

At approximately 40 minutes to go on the clock, my House leader informed the Premier that I had a question to place to him at some point during question period. He indicated he would stay for that, yet at 24 minutes to go he got up and left. Along with him, of course, the entourage of media leaves. One cannot blame the media because they have to follow the Premier out to get the answers. My point of privilege is that I believe my rights as a member have been violated by the Premier, who shows no interest in staying in this House to hear questions by members of the opposition directed directly towards him.

I would like the Speaker to rule whether or not it is indeed a violation of my privileges and a violation of the rights of all the people of Ontario who would like to hear the opinion of the Premier on legitimate questions being posed by members of the opposition. It is our job and our responsibility, and I submit it is his job and his responsibility to stay in his place so that we can do our job.

The Speaker: To the member for Mississauga West, fortunately or otherwise, there is nothing in the standing orders which is of assistance to either him or me on this matter. It is, however, perhaps just a friendly suggestion, a topic of discussion for the House leaders at their regular

weekly meetings, but there is nothing in the standing orders that assists me or him in this matter. I appreciate his drawing it to my attention, however.

1530

Mrs Cunningham: On the same point of order, Mr Speaker: I too would like to take this opportunity. I suppose sometimes the members opposite think the work we do in opposition is somewhat trite, but it happens to be part of the democratic process. I also believe, certainly since the time I have sat in this House, that it has been the priority of the Premier to stay as long as possible. The previous Premier would always tell us if he was leaving early. Specifically, today the Premier did not say he was leaving early. There have been times when he has advised us and therefore we rearranged our questions.

I know it is not within your purview, Mr Speaker, but I think it is our responsibility to advise the government House leader that we too are concerned that this has happened three times in the last two weeks. It is not a good beginning, so we would very much appreciate the Premier staying in the House till the end of question period, as far as reasonably possible, and at least advise us if he is leaving.

The Speaker: If the member for London North, no doubt as she always does, was listening intently to the response I provided for the member for Mississauga West, the same applies of course. I appreciate it whenever members bring concerns to my attention. It reflects of course an interest in the parliamentary process and that is something I naturally applaud.

CERTIFICATES OF CONGRATULATION

Hon F. Wilson: On a point of order, Mr Speaker: In the matter of the certificates raised by the member for Quinte, I would like to inform the House that I have already instituted an inquiry into the matter and I will report to the House when I get the results.

PETITIONS

OATH OF ALLEGIANCE

Mr Kwinter: I have a petition signed by about 200 people.

"To the Legislative Assembly of Ontario:

"Whereas Her Majesty the Queen, at her coronation in 1953, took a personal oath to the people of Canada, and Canadians have always reciprocated with oaths of allegiance and service to the person of the sovereign;

"Whereas it is our right and duty to take oaths of allegiance and service in such form;

"Whereas Ontario regulation 144/91 made under the Police Services Act, 1990 denies Ontarians this right;

"We, the undersigned residents of Ontario, loyal to Her Majesty Queen Elizabeth II, Queen of Canada, petition the Legislative Assembly of Ontario to resolve that His Honour the Lieutenant Governor in Council be requested to revoke Ontario regulation 144/91 and restore the traditional oath of service to Her Majesty for police personnel in Ontario."

PORNOGRAPHY

Mr Carr: I am pleased to table a petition signed by concerned residents of Oakville and Burlington and surrounding areas which reads as follows:

"To the Legislative Assembly of Ontario:

"We, the undersigned residents of Ontario, draw the attention of the Legislative Assembly to the following:

"That the production, sale and rental of pornographic and obscene material in Canada has a direct negative and destructive influence leading to sexual assault upon women and children, including degradation, exploitation and humiliation;...

"That elimination of the production, sale and rental of pornographic and obscene material in Canada would decrease the incidence of violence against women and children.

"Therefore, your petitioners call upon the Legislative Assembly to eliminate the production, sale and rental of pornographic and obscene material."

OATH OF ALLEGIANCE

Mr J. Wilson: I am privileged to rise today and present a petition to the Legislature of Ontario that reads as follows:

"Whereas the Queen of Canada has long been a symbol of national unity for Canadians from all walks of life and from all ethnic backgrounds;

"Whereas the people of Canada are currently facing a constitutional crisis which could potentially result in the breakup of the federation and are in need of unifying symbols;

"We, the undersigned, respectfully petition the Legislative Assembly of Ontario to restore the oath to the Queen for Ontario's police officers."

That is signed by several concerned residents from the villages of Angus and Tottenham in my riding of Simcoe West, and I too have affixed my name to this petition.

NURSING HOMES

Mrs Y. O'Neill: I have a petition signed by 23 people, to which I have affixed my signature.

"We, the undersigned, request that the government of Ontario immediately rectify the inequity in funding between nursing homes and homes for the aged. We strongly support the Ontario Nursing Home Association in their efforts to provide better care for residents of nursing homes through increased funding."

Mrs Sullivan: I have a petition which I have signed which reads as follows:

"We, the undersigned, request that the government of Ontario immediately rectify the inequity in funding between nursing homes and homes for the aged. We strongly support the Ontario Nursing Home Association in their efforts to provide better care for residents of nursing homes through increased funding."

ORDERS OF THE DAY

POWER CORPORATION AMENDMENT ACT, 1991 LOI DE 1991 MODIFIANT LA LOI SUR LA SOCIÉTÉ DE L'ÉLECTRICITÉ

Resuming the adjourned debate on the motion for second reading of Bill 118, An Act to amend the Power Corporation Act.

Suite du débat ajourné sur la motion visant la deuxième lecture du projet de loi 118, Loi modifiant la Loi sur la Société de l'électricité.

Mr Drainville: I am glad to rise again in the House to continue my remarks on Bill 118, an Act to amend the Power Corporation Act.

I want to deal with some comments that were made yesterday in debate, in particular by the member for Mississauga South. In her remarks to the House, which I must say were certainly lengthy, she indicated 8 or 10 times that we were a socialist government. In terms of the direction we have tried to take in introducing Bill 118, I want to be very clear about this: Yes, indeed, we are a social democratic government. I am very proud of that fact. I remember the words of an august member of the House of Commons, one of our leaders, J. S. Woodsworth. He spoke these words one time, which I think are germane to our considerations on this particular bill:

"I am not afraid of the word 'socialism,' which comes from a perfectly good Latin word which means 'comradeship.' That means that today we as individuals are no longer living isolated lives, that no nation is any longer living an isolated life, but rather that we are living in a society in 1,001 complicated relationships and that we must adapt our political ideals and our political institutions and our political policies to meet the new situation that confronts us."

When J. S. Woodsworth said these words, he was speaking about times such as we live in today. We have been confronted with difficulties as we have taken government. We look at a corporation which has had its difficulties in the last number of years, specifically in terms of the overruns that have been raised in terms of the nuclear option that Ontario has chosen. The reality is that the people of this province are concerned about the direction of Ontario Hydro. In fact, in my own riding—perhaps those of us who are in the rural areas are closer to these concerns—I can say that people have repeatedly said to me that we cannot continue to see Ontario Hydro go in the direction it is going.

There are members in this House who are against this bill, who say this bill is draconian and the government should not be going in the direction it is. They have a right, as opposition members, to put forward those points of view, but there are very concrete and very necessary reasons why our government has decided upon the course it has chosen.

The legislation and the changes we are bringing in here through these amendments to the Power Corporation Act will increase Hydro's accountability and responsiveness to public concerns and priorities. That is first, and it is important. Second, it will ensure that Hydro's activities are in the

best interests of the people of this province. Third, we will remove barriers which up to this point have hindered Hydro's ability to comply with government policy directives. Fourth, we will open up the policy direction process. Last, we will allow Hydro to retain its independence to implement its day-to-day activities.

1540

We are not taking over Hydro, but what we are doing is ensuring that the energy policy which is germinated by the government is given due consideration and that Hydro reflects the policy of this government. If that seems a strange thing to members of the opposition, I am surprised. It seems to me to make perfect sense.

The Minister of Energy, when he stands up in this House, has the responsibility to ensure that Hydro is doing its job. If there is a complaint about Hydro, do we not see opposition members rise in the House and complain to the Minister of Energy? There is a relationship between the government and Ontario Hydro. All we are trying to ensure through these amendments is that this tie between Ontario Hydro and the government is made more effective.

Again, I want to assure this House and assure those members of the public who are watching today that we are saying that the utility itself will continue to be a public utility and will control its day-to-day activities, but what we want to ensure is the economic, environmental and social wellbeing of the people of this province.

Further to that, I would like to talk a little bit, if I can, about the areas where we can be perhaps more proactive as a government. We realize that in terms of the energy policy of the government we need to look very seriously at new ways of dealing with energy sources.

For a decade now we have been hearing of the difficulties with fossil fuels and how limited they are. We have talked about CFCs going into the air. We have talked about the need for conservation. We have talked about the global warming trend. These issues, layer upon layer of issues, are interrelated to how we involve ourselves with Ontario Hydro, so what we need to do is to allow the government the freedom to be able to give the kind of direction which is important. By opening up the policy direction process, what we are going to begin to do is give a clear indication of the new energy directions the government is going to be pursuing.

The changes to this legislation will clarify the government's responsibility to establish these new energy directions and enhance Hydro's ability as a public utility to respond to them. For the future, we see a further refinement of these new energy directions in these areas: enhanced economic benefits to northern and aboriginal people. We also see that we will have increased energy efficiency, including fuel substitution where that is appropriate, and more parallel generation, particularly using renewable resources such as small hydro. This will provide significant opportunities for remote communities and aboriginal communities.

Just recently, since I have been elected and have come to this House, we have had a small hydro generating plant established at Elliot Falls in Victoria county. This local initiative has been a tremendous boon to the community. As we begin to move more and more support towards this

kind of entrepreneurial leadership within the community and to seeing more and more power from the local communities, we are not only going to be able to see conservation efforts given the boost that is needed but we are also going to see that we are going to be able to provide much-needed entrepreneurial skills.

Elliot Falls is now producing a significant amount of energy for the local area. We are now looking at Fenelon Falls, which is a significant area for possible generation, and we are also looking at the Irondale River—all in Victoria county.

I am looking forward to those days when we can begin to see these kinds of initiatives take place, strategic procurement to develop a new industrial sector in Ontario which will supply a wide range of energy conservation products. We need to begin to move clearly, as quickly as possible for us as a government and for the private companies, into areas where energy conservation products can be produced across this province.

We might even in five years or 10 years hence see Ontario as a place where there is great leadership in this particular field. Again, this all hinges on our ability to give direction to Ontario Hydro through these amendments to the Power Corporation Act.

I would like to address in a more substantive way some of the concerns I have about the structure of Ontario Hydro, the board, and the chairperson of the board becoming the chief executive officer. Perhaps I should read into Hansard a few bits of the amendments that are suggested. I would like to do that because I think people need to be clear about what the government is doing in this bill.

For instance, we see in section 1 that, "There shall be a board of directors of the corporation consisting of a chairperson, a vice-chairperson, a president, the Deputy Minister of Energy and not more than 18 other directors"; that, "The deputy minister shall not vote at any meeting of the board," that deputy minister being an ex officio member of the board but helping to maintain that all-important link between the government and its energy program, and, of course, the board of Hydro; and that, "The chairperson is the chief executive officer of the corporation."

Those changes to some might seem like window dressing, to others might seem not particularly important or startling changes; but they are startling changes. Some of the members who have raised this issue are quite correct to say these are significant departures, but they are significant in the way that the opposition members have not indicated. They are significant because what it is providing is the framework for government directives to be taken seriously.

There are members in the House who decry this move. I read from yesterday's Hansard some remarks by the honourable member for Mississauga South, who said:

"The bill also allows the Minister of Energy to issue policy directives approved by the Lieutenant Governor in Council that would be binding on the corporation. For people listening or watching, we perhaps should just explain what this means, because this is the most significant part of Bill 118.

"This is the part that allows the Minister of Energy to issue policy directives approved by the Lieutenant Governor

in Council. Everyone knows that a policy directive approved by the Lieutenant Governor in Council is in fact a policy directive of the government of the day."

Indeed it is, and that is precisely the point. To have heard the member for Mississauga South yesterday would almost by implication indicate that such a heinous act on the part of the government has never been perpetrated on the people of Ontario, that it is indeed unacceptable for the government to move in this particular direction.

Let me give an example within Canada itself. I have the documents right here—and I would indicate this to the honourable member for Mississauga South—in terms of federal legislation, the Financial Administration Act. In terms of the federal Parliament and its relationship to crown corporations, its legislation is precisely what we are putting in this Power Corporation Act. It is precisely the same kind of thing. Why? Because it has been seen, in the wisdom of those who govern in Canada, that it is necessary to maintain a link between the government, its energy policy and other policies of government and those crown corporations that are there, to make sure that those things are carried out.

I am also going to read into the record the various parts of this Financial Administration Act which will indicate the parallel to our own Power Corporation Act amendments put forth by this government. I read, in division 1 of Corporate Affairs, accountability to Parliament:

"89(1) The Governor in Council may, on the recommendation of the appropriate minister, give a directive to any parent crown corporation, if the Governor in Council is of the opinion that it is in the public interest to do so.

"(2) Before a directive is given to a parent crown corporation, the appropriate minister shall consult the board of directors of the corporation with respect to the contents and the effect of that directive."

Subsection (3), and this is very important:

"The directors of a parent crown corporation that is given a directive shall ensure that the directive is implemented in a prompt and efficient manner, and if in doing, they act in accordance with section 115, they are not accountable for any consequences arising from the implementation of the directive."

1550

Going further down to subsection (5):

"Compliance by a parent crown corporation with a directive is deemed to be in the best interests of the corporation."

Obviously it is understood in the federal House, in the federal Parliament and on the federal scene that it is necessary to maintain both a communications link and a policy link between the federal government and crown corporations. So it is that in the amendments to the Power Corporation Amendment Act, that is Bill 118, the government of Ontario is saying precisely that: no more than that and certainly no less than that.

I would like to dwell just very briefly on some of the comments that have been made about our government's approach to the nuclear option. As the members know, we have a moratorium on nuclear power at this point in time, and there are many reasons why that moratorium was put

on, not the least of which is, especially in this recessionary time, that there are very significant questions as to whether we as a government can continue to go in a direction which is going to cost more billions and billions of dollars at a time when we do not have that kind of money to spend.

I might add that we are speaking about billions of dollars of expenditure on the part of Ontario Hydro. In that light we have ensured that we have put a moratorium on the development of nuclear stations, and at the same time, we have directed that Ontario Hydro redirect its spending at this point in time towards conservation.

There are those members again who decry this move to conservation. They say it is a motherhood issue. It is a motherhood issue but, more than that, it is an issue that we have not grappled with in this province up to this point in time. It is so serious for us that we have to begin to make inroads in this area or we are going to suffer dire consequences in this province in the future.

It is time for us to stop equivocating about conservation and saying, "We'll devote a little bit of money to that, but we will go full steam ahead in every other area, spending billions of dollars, and maybe some day conservation will become something that is important." We cannot go that route any more, and the government has been clear on this issue since the day it was elected and put the moratorium on nuclear power. What we have to begin to do is take seriously conservation in the province of Ontario.

The government has also directed Hydro to increase its efforts to develop supply alternatives such as parallel generation to make better use of existing facilities and to give a higher priority to the environmental assessment of Ontario's hydroelectric potential. The Environmental Assessment Board, in its consideration of Hydro's demand-supply plan, will provide its judgement on the future of new nuclear power in the longer term. The board's review will provide an opportunity for the public to participate in this judgement.

I want to say that in the Power Corporation Amendment Act we have tried to bring to bear a rational view of our relationship between the government and Hydro. I was reminded of a quote from Edmund Burke, who once wrote about statesmanship: "A disposition to preserve and an ability to improve, taken together, would be my standard of statesmanship."

I want to say about this bill and this initiative on the part of the government that we have a disposition to preserve. We have not changed Hydro unalterably. We have not tried to mangle it as an agency of the province, as a public utility. We continue to give it the support that it needs to be given.

We also have an ability to improve, because if we do not improve Ontario Hydro's mandate, if we do not improve the link between the government and this public utility, then we will not be able to do the job we must do, and this is create better power for the people of Ontario, more power at a better cost, and in the long run, we will not be able to conserve. That need for conservation is something that is undoubted by anyone in this government at this time.

Mr Conway: Just a very quick question to the member. He made reference to a new hydroelectric plant in Victoria county. I think he said at Elliot Falls. My question is a very simple one. Is that a brand-new facility or is that a small group of people who have taken over an old water-powered plant?

The Acting Speaker (Mr Farnan): Would you like to wait and then in your summation you can respond to the various questions? Continuing the rotation, are there any other comments?

Mr McGuinty: The existing legislation provides that if the government is to issue a directive to Ontario Hydro, that directive must be in keeping with Hydro's mandate to supply power at cost. The member's government recently issued a directive to Ontario Hydro to donate \$65 million to the northern Ontario heritage fund. Does the member consider that to be in compliance with the existing legislation, and how can he tell me as a ratepayer that is in keeping with my interest to pay for my power at cost?

Mr Drainville: I am glad that I have been asked these questions by the honourable member for Renfrew North and the honourable member for Ottawa South. I will try to answer them as best I can.

I have spoken about this small project in Victoria county because I take some pride in it, not that I had anything whatsoever to do with it, but rather that it shows the entrepreneurial spirit which is very much alive in our riding and it is very important.

There was at one time a small generating plant there back in the 1920s or 1930s. There was virtually nothing left of that. It was a shell and there were just some outbuildings and a few forms. What they were able to do was take the shell basically and totally rebuild a small generator. In the process of doing so—it was totally on the initiative of some private interests who came in and in a period of time working with Ontario Hydro were able to convince Hydro of their very goodwill—they were able to obtain that property and build that generator.

I was there at the opening of that and I have to say that even in the period of time that they have been generating some electricity, they have been remarkably successful in providing more power actually than they had anticipated. I want to say that is good. Also, in Fenelon Falls they are going to be looking towards doing this, and in Irondale.

I want to say to the honourable member for Ottawa South—and I am sorry that I do not have very much time now to give full value to him—that I do believe, in terms of northern Ontario, that the direction Bill 118 is going in is ultimately for the benefit of the whole province and that the decision that has been made is a decision which is going to benefit the whole province, particularly the people in northern Ontario, but also across the board. The initiative on the part of the government is a sound one in the terms that the honourable member has put forward.

1600

Mr Conway: I am very anxious to participate in this debate on Bill 118. I want to thank the member for Victoria-Haliburton for answering my question, and the answer was more or less what I thought it would be. Let me just

say to my friend the member for Victoria-Haliburton, and any other member of the Legislature—they cannot participate in this because their conflict commitments would preclude it—there is no better business in the province today than acquiring water rights that may have been abandoned decades ago.

I am not at all surprised to hear that Elliot Falls is producing not only more power than was anticipated by its sponsors, but I daresay its profit—and I do not begrudge them this at all—is probably much greater than they might have imagined, and I suspect would roll the eyes of most members of the Legislature. I only say that because I have a number of people who are engaged in those kinds of enterprises in my own county and in eastern Ontario. I think it is all to the better and it ought to be encouraged, so I am delighted to know it is going on in Victoria county.

I have a fair bit to say on this bill and I beg the indulgence of the Speaker and the House this afternoon, because I will take a fair bit of time to speak to Bill 118, An Act to amend the Power Corporation Act. I want to set the scene by indicating where I am coming from as I make these remarks.

Firstly and foremost—if that is a word; it probably is not—I am speaking as the member for Renfrew North, a large rural constituency in eastern Ontario where electricity, hydro rates and availability, I can assure members, are what they are today, what they were when my grandfather was here 50 years ago and what they have been since the turn of the century: one of the most, if not the most, significant issues of ongoing public concern to the average household, the average ratepayer, in my county.

I speak also on behalf of two utilities, the Pembroke Public Utilities Commission and the Deep River Public Utilities Commission, both of which wrote me and one of which, the Pembroke commission, actually asked for a lengthy meeting about a month ago to indicate in some detail its very real concern with the policy that informs Bill 118.

I want to be very clear that what I have to say, I hope, reflects the views of the ordinary citizens of Renfrew county, where I would suggest there is a greater than average—in some cases, much greater than average—dependence on electricity than in much of the rest of the province, simply because in those very rural parts of my county there is no alternative, none whatsoever.

As well, I feel duty-bound as the member of the Legislature for the area to reflect some of the concerns that the Pembroke and Deep River public utilities commissions have expressed to me, both in meetings and in formal correspondence.

I want to say as well that in my time as a member of the Legislature, any time a Hydro bill is presented, it is a time of significance for the Legislature. I have been struck, quite frankly, by the relative disinterest in this bill in the early days. I know, as I think most members do, that the Municipal Electric Association has mounted quite an active lobby in the last three, four or five weeks. And I dare say most members have probably been canvassed, as I have, in person or by phone or letter, to express the views of local utilities.

It has been my experience over the 16 years I have been a member of this Legislature that Hydro is, and ought always to be, a matter of the first order of importance to this Legislature. It is for my constituents at present a real concern. They have been reading in the public press in the past number of weeks, in communities like Barry's Bay and Palmer Rapids and Killaloe, and reading reports from the chairman of Ontario Hydro, Mr Marc Eliesen, that he predicts bulk hydro rates are going to increase over the next three years by something like 45%.

In virtually all cases, that is going to be increased by local factors. In my part of rural Ontario, for example, this year's bulk power rate increase of 12% is going to translate, I would suggest, to something like 13.5% to 15% for most of the hydro consumers in my area, simply because of the economies of scale which are not there in rural eastern Ontario. It might be somewhat less in the city of Pembroke, where something like 15% of the power is bought from Pembroke Electric Light, whose source of power is across the river in the province of Quebec. But I suggest that most of my constituents will be looking this year at electrical power rate increases of something in the order of 13%, 14%, 15%.

As the member for Renfrew North in the Legislature, I have to tell the members, my friends in this assembly, that for farmers and loggers and sawmillers who are going through a gut-wrenching depression, where their markets are declining to the point of disappearing, where their colleagues who work in shoe stores in Renfrew and Pembroke and Eganville are themselves having difficulties holding on to a job, to read in the Ottawa Citizen or the Eganville Leader that their power rate is going to go up by probably 15% this year and 50% over the next three years is a matter of very grave concern.

I repeat, if you are a dairy farmer in Westmeath township or if you are a sawmiller in Hagarty township, in Renfrew county, you have no alternative. The illustrious member for Oxford has a county that is famous country-wide for its dairy industry. He will know just what kind of electrical consumption the typical dairy farm requires. To tell that farmer in Zorra township or in Renfrew county that the rate is going to increase by 50% over the next three years while that farmer is faced with the pressures of international agricultural competition is to get that citizen's attention in a way in which I suspect few other things we do in this assembly will get his attention.

I want to say as one member of the assembly that I support entirely the restraint of the government of the day. I deeply regret that they did not understand six or eight months ago what I have to believe their best and good advisers were telling them, that the recession was running much more deeply than anyone had predicted. Speaking on behalf of my constituents, I can say without any fear of political recrimination or contradiction that I, like they, will support this restraint initiative. I am going to debate some of the particulars of that, obviously.

What am I to say to people in rural Renfrew county who read that their electricity rates are going to rise by 44% over the next three years as a minimum, according to the chairman of Hydro? They read in the same paper that

the chief executive officer and chairman, newly appointed to Ontario Hydro, is going to have about a 300% increase in his salary. As the Deputy Minister of Energy, he was earning \$125,000. As the new CEO at Hydro, he will earn minimally \$400,000 and I gather will have a pension entitlement that will make their ears curl.

How can they take this? What are they to do? They will accept the argument of restraint, but to see their Hydro bill increasing by 15% annually for the next three years, and to read in the same paper from the same source that he cannot do the job for less than \$400,000, is to present a credibility gap as bad as the one that sunk Lyndon Johnson in 1967-68. They would want me to raise that concern on their behalf, and I shall return to this at a somewhat later point in these remarks.

One of the aspects I hear in my communities is that people are out of work everywhere. In Renfrew county the forestry sector is one of our staples. It is very energy intensive. I totally agree with my friends opposite that we have to do more in the area of conservation. I could not agree more.

I would submit that we could do one thing above and beyond all else that would stimulate activity in that area. In fact, it explains why Elliot Falls in Victoria county is in existence today and was not even thought of 10 years ago. It is simply the buyback rate. I did not check the data, but Hydro's buyback rate in the last six or eight years has increased significantly. If members want to get more of the Elliot Falls or if in my area they want to stimulate very interesting co-generation, there is a way to do it, that is, to fundamentally re-examine the way in which the buyback rate is constructed.

1610

Without any significant government investment, the government will get a lot of entrepreneurship out there that will give it added capacity in places where it needs it and we need it and in ways I think we can all support.

In my county, for example, we are looking now at a situation where there are sawmill residues and all kinds of freestanding junk timber for which there are no markets. In the case of sawmill residues, the Minister of the Environment is saying: "You can't keep doing what you've been doing over the decades. You've got to dispose of that in some way." It appears, on the basis of a lot of the work that people like myself and the very distinguished member from north Hastings have been associated with, one of the potential ways is to get involved with co-generation using that kind of material, the so-called wood-fired electrical generating plants. But I can say that they are probably not going to work in north Hastings or in west Renfrew or in north Addington if that buyback rate does not move upward.

I have to tell my friends that my constituents, who are looking at some of the bleakest economic circumstances they have ever known, are horrified to see some of the government-imposed costs that continually float out of this place; hydro being one of them, workers' compensation being another.

I understand, in a day and age of political correctness, what one can and cannot say, but I talk to Ed Broadbent's ordinary Canadians, whom I represent, not some 10-speed trendy living in the Annex in downtown Toronto, not some

wonderful ambassador for high yuppiedom living in—I will not mention another urban community I could think of—who of course have all the answers in these debates because they have disposable incomes, in many cases drawn from the public purse. They have alternatives.

There is a tragic irony in this debate around conservation. I live in Pembroke, for example. The government's off-electricity policy is very easy for me because all I have to do is what I did four years ago, that is, take out my oil furnace, look at the price structure and see that electricity is probably not competitive. And I accepted a lot of the arguments that were being advanced; I sat on the select committee on energy for years and I heard the illustrious member for Ottawa Centre, the now Minister of Housing, go on at some length about these matters. One of the things she would argue and my colleagues argued as well was that electricity is not a very good way to space-heat, for lack of a better phrase. So what did I do? I turned to an alternative I had, which was natural gas.

But my friend from Orono knows that if you live in the heart of rural eastern Ontario, in almost all cases you are miles from natural gas. The thing that my constituents are fed up with, and quite frankly the thing that I am fed up with, is this argument around conservation which ignores the reality of rural Ontario. It is infuriating to hear that lecture—from good people, who believe it no doubt, because in Kingston or in Pickering or in Yorkview or in Sarnia you can believe it, because you have an alternative.

There are hundreds of thousands of people in rural Ontario who have no alternative in terms of natural gas. What are they to do? Because conservation means one thing. I will give credit to the proponents; they have never denied their objective. In pure economic theory, I suppose it makes some sense: Drive the rates upward and drive them up dramatically.

If you are faced with that kind of price pressure in Brantford, you will probably do what I did, if you did not do it before I did it, and you will switch, because you have alternatives.

The dairy farmer in Oxford, the small sawmiller in Palmer Rapids, in west Renfrew county, which probably is the only private sector employer for miles around, employs 25 of these people. I was in a sawmill in my riding the other day and I tell members the wreckage in that sector right now is unbelievable. Few people are working and it is going to be some time before those jobs return. I hope most of them return, but realistically a lot of them are not coming back.

This sawmiller said to me, "Do you know what my Hydro bill here is?" I said no, I did not and he said: "My Hydro bill is \$575,000. Do you know what a 45% increase on that base means to me over the next few years? It's almost a quarter of a million bucks. Where am I going to get it? If you've got an alternative out there, will you please come and tell me what it is. I'd be much happier to take that quarter of a million bucks and the \$575,000 I am now spending and make the conversion. Give me natural gas, give me something, but don't give me the lecture that in the name of conservation I have to pay 45% minimally

over the next three years as I survey the wreckage of this forced economy in 1990-91-92."

That question of equity is going to have to be dealt with and quite frankly I do not expect it to be understood or dealt with by the high priests and priestesses of the energy environmental union. I do not think it is really in their interests to concern themselves with some of those issues that affect Ed Broadbent's ordinary Canadians in my constituency.

Again, as a member from rural Ontario, I want to stress how fundamental Hydro is to ordinary life and to any kind of economic development, whether it is that dairy farmer, a local school board or a small business. It is today what it always has been since the arrival of white coal in the early years of this century.

In this respect I thought the member for Mississauga South made a very salient point, that all of us would do well to understand just how vital electricity is to the economic situation in which we find ourselves. I am not here to argue that it is business as usual, because clearly it is not. We have played out a number of options we have enjoyed over the last number of years, this throwaway society we now live in.

For example, I would like to look at the electricity bill for this Legislative Building in 1991 compared to the bill for this place in 1961. I bet it would be just an exponential rate of growth, but of course the cause has been good. This wonderful televised studio this chamber has now become has not come without a price. This lighting, all of this television business at not just millions of dollars of installation, but with the electricity this place now requires, which I suspect is substantially greater than a decade or certainly two or three decades ago.

That is just the order of the day right across the society. We are fast going to reach a point where we are going to have to get beyond the rhetoric and get right into the marrow and, boy, it is going to be interesting. It is going to capture people's attention.

The whole question of electricity is not important just in my area. When I review the modern economic development of Ontario, I think it is fair to say that one of the ingredients, not the only one but one of the most significant factors this jurisdiction has enjoyed in the quality of life, the level of economic prosperity we have enjoyed in the 20th century, is the availability of relatively cheap and reliable hydroelectric power. I do not think anyone is going to dispute that.

When we look at the economic development of Ontario and at the power policy pursued by all governments, whether it was the Whitney government, the Farmer-Labour government of E. C. Drury, the Tory governments, the Liberal government, or the then long years of Tory government culminating with the Miller government in 1985, there were two interesting ingredients in that power policy. One was that it be as cheap as reasonable, and the other that there be some recognition of a made-in-Ontario component. That is why there was always great interest in the hydroelectric power development in this province, for example, and why 25 and 30 years ago the nuclear alternative looked so attractive. We had the intellectual capacity,

much of it in my own community of Chalk River. We had the uranium. We could finance to a significant extent the large capital undertakings that projects like Bruce and Darlington require.

1620

But I submit we may now be entering a point in the history of this province where we want to abandon a significant interest in a made-in-Ontario energy policy. I do not want to be too parochial, but it is very interesting, and I want to review in a moment some of the historical development here. It is not just because I happen to be interested; there are some extremely relevant points. I submit that when one looks at the power policy in this province, one of the very salient facts is that all governments have been particularly interested in encouraging to the greatest extent a made-in-Ontario energy policy, because they understood the enormous vulnerability of this economy if they did not have some meaningful control over the supply of energy.

Since the beginning we have taken the availability and reliability of our electricity almost for granted. I happen to live at the Ontario-Quebec border. One of the things about living at the Ontario-Quebec border is that you know people in west Quebec who understand what it is to have interrupted power. To be fair, in the last very few years Hydro-Québec's reliability along the Ottawa River frontier has improved, but relative to our major province to the east, in the main Ontarians have enjoyed not just relatively cheap and relatively abundant power, but what is perhaps very important for home and industry, reliable power.

If you are running a dairy farm, for example, you are not going to be very excited to be told at 4:30 in the morning, for whatever good or bad reason as my friend from Hastings will know, that Hydro cannot supply the juice, because the Holsteins are on a different cycle and they are going to bloody well expect you to be ready when they are. We had all better think and understand that if we are ever going to commit new capacity of whatever kind, it cannot be done overnight. It may take much less time than in the past, but it is certainly going to take some time.

I want to talk a little about the development of Hydro policy in the province, because I think there are some elements in our past that bear on the question before us now. In the course of this speech I want to look at the context of government-Hydro relations over the years, at our public power, at some of the alternatives and at some of the tax policies we have chosen. I want to look very specifically at this bill in its sections, and finally I want to talk about some related questions.

I want to talk for a moment about the history of Ontario Hydro, and begin by pointing out that at the turn of the century what focused the minds of Ontarians about the great hope that hydroelectricity represented was the coal famine of 1902. I submit that if it had not been for serious shortages in the then staple energy supply, Pennsylvania coal, the power politics of this province might have taken a very different course. In 1902, for a variety of reasons I do not intend to engage in, Ontario faced a severe shortage of Pennsylvania coal. They could not do anything about it. They were powerless.

I suggest that was the time this society, both urbanized and industrialized, began to understand there were some places where one could not afford to be that exposed or that vulnerable. It was against that compelling backdrop of an imposed, contrived shortage—it was not accidental; the Pennsylvania cartel worked a very monopolistic mechanism to produce a shortage—it was under those conditions that people in this province really began to look at hydro electricity, the so-called white coal, the magic alternative that would free them from that kind of hijacking and foreign control.

What they saw at that time was almost as scary. They saw the great cataract at Niagara increasingly taken over by the Toronto plutocrats, the Henry Pellatts, the Frederic Nicholls, the William Mackenzies, the people at the electrical development company who seemed on the verge of taking total control of that public resource, running a line to Toronto and holding that city ransom to exorbitant rates that surely would be charged.

Two things happened. One of the most incredible Canadians ever to walk the public stage, a fellow from London, a cigar manufacturer named Adam Beck recently elected to this Legislature, began to take charge of a public power movement that actually had its beginnings in the honourable minister's own community of Kitchener-Waterloo, then called Berlin, where a former distinguished Liberal member of this Legislature, E. W. B. Snider, began to understand what would happen to the farmers and the manufacturers of western Ontario if this Niagara power were constructed in a way to feed Toronto to their exclusion and to their detriment.

The movement that Beck led to create Ontario Hydro is a movement members all ought to read about because it is not what they think it is. I certainly do not want to offend the sensibilities of the member for London North, but I doubt if there has ever been a member of the Legislature quite as determined, tyrannical and outrageous as Adam Beck was. Adam Beck deserves credit for mobilizing public opinion in this province to create a set of political conditions that would create in this jurisdiction what was not happening in a number of the states in the union that is, public power at least to this extent. In the beginning Hydro was really intended as two things. It was going to allow the private interests to generate the power, but there was going to be a municipal co-operative that would distribute that power across the province. The provincial government would do two things: control the rates and provide the financing. That was the beginning of Ontario Hydro.

I think it is important to understand that in the beginning the people of Ontario faced a shortage. They were terrified about what that shortage would mean to the growth and development of their economy and of their community. Beck understood that in a way the former Liberal Premier Ross did not understand it and in a way a lot of other people did not understand it, so in 1906 he sponsored the legislation to create the Hydro-Electric Power Commission of Ontario, and from its inception in 1906 to his death in 1925 was its first chairman and its presiding genius.

1630

It is very interesting that as developments took place, the mandate of Hydro began to change. I think it was in March 1906, at a time when I suspect very few people came to visit the Legislature and very few people would ever come to picket, that Adam Beck was able to mobilize a group of 1,500 people on the steps of this chamber to demand that a waffling Whitney government move courageously in the direction of public power.

One of the aspects of the public power movement that has always fascinated me is the way Beck manipulated the municipalities and public opinion to get his way. In almost all cases, he got his way. For Adam Beck, I must say, public ownership never meant public accountability. Never in his wildest dreams did he imagine that his beloved Ontario Hydro was going to be subject to the kind of scrutiny that would ordinarily fall to a department of government, which is what HEPCO, the Hydro-Electric Power Commission of Ontario, was for all of those early decades.

Interestingly, during the First World War, all of the abundance that was imagined turned into shortage. In 1917, Ontario Hydro had to do something that no one had contemplated a decade before: it actually built its own generating station at Queenston. I listen to my friends opposite and they rightly point out, "My, my, isn't nuclear power terrible? Didn't you know that Darlington started out at \$3 billion and ended up at \$13 billion?" It is true. That happened.

But let me just tell members that when Hydro began its first generating station, the famous Chippewa-Queenston project, it was begun in the middle of the first war at an estimated cost of \$10 million, an outrageous amount of money in those days. It was completed about five or six years later at a fantastic overrun of \$65 million, a sixfold increase. Does anyone stand here today and say: "My, my, Chippewa-Queenston cost six or seven times what it was supposed to cost. We should never again engage the business of building a hydroelectric station in this province"? That logic, of course, is laughable.

Mr Sutherland: What was his productivity?

Mr Conway: My friend the member for Oxford says, "What was his productivity?" The point, I suppose, is that the Hydro-government relationship, which is what I want to talk about in this part of the speech, has always been at very best a strained and controversial relationship.

The Acting Speaker: Order, please. The member for Oxford, if he wishes to interject in the debate, will do so from his chair.

Mr Conway: It is very interesting, because in the last days of the Hearst administration and after the Hearst government was defeated, the then Premier complained bitterly about being blackmailed by the great, sainted, late Sir Adam Beck. He had an impossible time dealing with his colleague.

When he was defeated in 1919, he was replaced by the farmer-labour coalition. Can members imagine E. C. Drury as Premier dealing with a man who was the farmers' first choice for Premier? But Beck turned down the Premier's job because in his view he had a better, more

important job. He was chairman of Ontario Hydro, and incredibly, the farmer-labour government maintained him in that position.

Drury, like Hearst before him, had a hell of a fight with Hydro over a fundamental policy issue. It had to do with radial railways. Adam Beck did not believe the motor car was going to amount to very much, and he was determined that there was going to be more power built, more electrical capacity built, so that there could be radial railways running all across southern Ontario, from Cornwall to Windsor.

Both the Tory Premier and the farmer-labour Premier said: "I don't know, Mr Beck. I think you've probably got it a little wrong here. We think the motor car may have some kind of a future and we think that your scheme for radial railways is overoptimistic and ought not to be proceeded with."

It was a hell of a fight. It was a fight that went on for about six years. In the end, with absolutely every provincial and municipal resource applied, the government won, but it was a very close call. My point is simply that through much of this, Adam Beck was chairman of Ontario Hydro and minister without portfolio sitting in the cabinet.

When I hear all these speeches about accountability, I would just simply ask members, please, please, to some day spend a few moments and look at with some degree of care the evolving history of Ontario Hydro. They are going to find some absolutely fascinating stories about that relationship.

This covers not just Tory governments. In the case of a farmer government, there is another issue I wanted to raise, because a lot has been said in this debate, and much will be said before the bill passes several months from now. In the farmer government time, members can appreciate the debate around power at cost. I do not accept, by the way, some of the argument advanced by the Municipal Electric Association that there was somehow in the beginning a sacrosanct commitment on all sides to some predetermined concept and notion and practice of power at cost, because that was not the case. There was almost from the beginning a big fight around, "Does this mean just to urban concentrations? What about the rural areas?" The debate in this province around rural hydro rates over the period from about 1915 to 1955—actually it is through to about 1985, I should say—has really been quite something.

The farmer government faced a very tough choice, which takes me to the core of Bill 118; that is, whether it as a government decided to make the entire province have uniform rates. There were many people on utilities and in this Legislature who thought that was absolutely unacceptable because it violated the notion of power at cost. Farmers, on the other hand, said that if you applied pure economics, they would never get affordable power.

The farmer government undertook an interesting policy which I would recommend to my friends opposite. It chose not to make the significant subsidies around rural hydro rates based largely on rates. They decided to electrify much of rural Ontario on the basis of provincial grants, a fundamental policy choice that that government had to

make and that this government has already made around issues like Elliot Lake and Kapuskasing.

I want to say to my friends in the NDP that the debates we have and are going to continue to have on this fundamental question of power at cost have been debated by virtually every Legislature since power was an issue in this province in the early days of this century. I repeat, the Drury government, a farmers' government primarily, was able to resist enormous political pressure to make the rate base carry all of the added costs to electrify rural Ontario. It decided rather to go by way of provincial subsidy. I think that is a very interesting point and one we should reflect upon as we think about what we are doing in Elliot Lake and Kapuskasing.

Let me say at the outset, Mr Speaker, that I do not think there is any member here who would argue for one moment that something ought not to be done. Obviously, much is owed to those communities. The issue for me in Bill 118 is how we go about ameliorating the devastation in a community like Elliot Lake as a result of the cancellation of those contracts, or the situation in Kapuskasing.

I want, just for a moment, to say again, because this will bear on some of the things I have to say a little later, that I think this Legislature has in the main a pathetic record over 85 years in trying to exact any kind of accountability from Ontario Hydro, whether it was a commission with delegated powers from the cabinet itself or whether it was, as it has been since 1974, a crown corporation at arm's length. What this Legislature has seen, in terms of Hydro development over those 85 years, has been positively breathtaking, whether it was premiers Hearst and Drury bitterly complaining about Beck blackmailing them—there is a wonderful story in the memoirs of E. C. Drury where his man on the Hydro commission, a fellow named Miller from Toronto, admitted that he was there to do the Premier's bidding but he could not, he said, because someone at Hydro, someone very high up at Hydro, found out that in his youth he had a dalliance at university with some young lady, from which I gather issue proceeded, and he was basically being blackmailed. So he wanted to help the Premier, do the Premier's bidding, but he could not, he said, and the Premier was left with an appointee who was essentially neutered. That happened in our Ontario—a wonderful, unbelievable story.

1640

In this debate about the Hydro-government relationship, we ought to know what has preceded before we begin to decide how we are going to redefine this relationship, and I completely support this government's right to redefine that relationship.

I was reading a book the other day—I will not read much of it today—The Beauharnois Scandal. I had forgotten just what a wonderfully rich scandal this was. I mean, if the members want to see good old pure Ontario and Quebec at their corrupt best, they should read The Beauharnois Scandal, recently published by the University of Toronto Press, by a distinguished Canadian historian, T. D. Regehr. My grandfather, when he came here as a member in 1929, I think, was elected on the basis of deals made by Hydro with the private interests in the Renfrew area,

where a certain John Aird Jr was paid \$50,000. Can members imagine: \$50,000 in 1929 to arrange, to facilitate, the purchase of the private power rights on the Madawaska River and the Mississippi River for Ontario Hydro. The Beauharnois scandal was much, much better, because of course the scandal touched the sacred hem of Mackenzie King himself—

Interjection.

Mr Conway: I want to say to my friend the member for Grey that he will enjoy one of the references that is going to come very shortly.

In the Beauharnois scandal, you have a Senate investigating committee, with a principal witness confirming that, oh, yes, R. O. Swezey, the principal in Beauharnois, certainly gave \$200,000 to Howard Ferguson, then Premier of Ontario. Now, Howard Ferguson denied absolutely that he had ever received any money.

Later in this province we had a wonderful spectacle in the 1930s involving a Premier and a former Prime Minister of Canada. Hydro bought the Abitibi subsidiary up in northern Ontario. Can members imagine, in 1932 or 1933, buying a bankrupt company, which it was, in which the Premier and a former Tory Prime Minister of Canada had tens of thousands of dollars of stock which, had the company gone bankrupt, would have been virtually worthless, and having it explained on the floor of this chamber that yes, well, Premier Henry did own \$25,000 worth of Abitibi stock, but he had forgotten about it. In 1933, that was not exactly what made you popular.

And the behaviour of the Hepburn government, my Liberal friends, was almost as outrageous. The illustrious Arthur Roebuck as Attorney General made a speech in this assembly in 1935 that lasted for nine hours, where he argued that the government ought to do what it actually did, which was to repudiate the Beauharnois contracts. They in fact actually passed legislation the Attorney General himself must have known was as illegal as the Court of Appeal was to find it a few months later. That is not exactly a very high water mark in Liberal administration.

The members might think it was all in the past. When I was first elected here, Billy Davis was riding the province as king of the land. One of the reasons I am always interested in Hydro debates is that when I first came here, we had just finished the Power Corporation Act. We got it in part because of the famous Canada Square scandal, that can be seen, in a sense, by just looking out the front window.

I am going to read something from Jonathan Manthorpe's book, because sometimes I forget just how rich a history there is around this place, but when I look at Bill 118, if I am a bit sceptical, and I am very sceptical about some of what is proposed here, it is because of what I have been asked to believe in the past.

The story, briefly—

The Acting Speaker: Member, may I bring you to order for a moment? The history is very enjoyable and certainly to some degree relevant. I would ask you to bring us back on track as quickly as possible so that we are dealing with the substance of the debate.

Mr Conway: Mr Speaker, you are going to enjoy the connection here. The connection is going to be very direct and it will not be long in coming. I want to set the scene, because what I have to say is not going to be very nice and is certainly probably going to ruffle a few feathers. I want to say it, and I want to say it in the context of the Hydro past, because at one level it is an incredible past that has provided much of what we take for granted.

I am going to tell the members about the history of the shortages and what that has done to public policy. Hydro's mandate changed in the middle of the First World War for one reason and one reason only: There was not enough power. In the context of power shortages, most things went out the window. In the face of the Depression and surplus everywhere, public policy turned dramatically in the other direction. The only possible way Hepburn and Roebuck could defend their outrageous policy was because Hydro had contracted for much more power than it could possibly use. Then another war came along and more shortage and it turned dramatically again.

My point in this little historical survey is that I think we may be coming very close to another situation where shortage sends us scurrying in some directions where none of us might want to go and certainly some of us have never contemplated going.

I want to conclude the little historical lecture by talking about the 1973 situation, because, of course, it gave rise to the Power Corporation Act that we are amending today. Very briefly, the story was this.

Hydro was going to build a new building. Of course, there was an arm's-length relationship—anybody who believes that about any of the previous government-Hydro relationships does not know what he is talking about. It is wonderful political science; I know there are all kinds of illustrious professors around the province who teach that stuff. But it is palpably, demonstrably not true. It never has been, and I do not suspect, given the importance of Hydro to the province; it ever can be. But in 1972-73, the Hydro commission decided to build a new building. They went through a normal process, apparently. They were going to tender, and it appears that the tender was not quite like it was supposed to be, and Billy Davis's good friend Gerhardt Moog got the contract. All hell broke loose.

I want to read something from Manthorpe; it is about three paragraphs. It is the select committee report of 1973 on the Hydro-Electric Power Commission of Ontario's new head office building. Do the members know what that committee was asked to believe? Here is what they were asked to believe. I am going to read three paragraphs from Jonathan Manthorpe's wonderful book, *The Power and the Tories*. He is talking about Gerry Moog and Bill Davis. They are in Europe together on a holiday.

"For one striking example, there was Gerhardt Moog's story of being on holiday in Europe with Bill Davis in the summer of 1971. One day they had a leisurely and very liquid lunch in a restaurant overlooking Lake Constance. Bill Davis wanted to meet some Swiss bankers, and they had an appointment that afternoon in Zurich. They"—Moog and Davis—"started out rather late after their long liquid lunch, with Gerry Moog testing the capabilities of

his powerful new sports car, which he was driving. Unfortunately, they had a puncture along the way and arrived in Zurich at the bank's closing time.

"The two men were, in Moog's words, 'well fortified' from their lunch, which could have meant anything from tipsy to drunk, and dishevelled from changing the tire along the way. Consequently, the security guard at the Swiss bank was not impressed with their account of the importance of their visitation and was reluctant to let them in. Eventually, however, he was persuaded to do so and they met senior officials with that Swiss bank.

"While Davis discussed"—

The Acting Speaker: I will have to ask the member to come to the point.

Mr Conway: I am coming to the point.

The Acting Speaker: I say to the member that reading into the record a prolonged quotation—

Mr Conway: Just a couple more sentences.

The Acting Speaker: —is out of character with the direction of the House.

1650

Mr Conway: I appreciate the injunction. I might fall back on the Kormos rule. I really think this is germane. It is just a few more sentences.

This is the point: We are talking about a Premier and a man who is going to build by virtue, no question, of special connection to the government, to the leader of the government. They are in the Swiss bank, apparently a bit tipsy.

"While Davis discussed international finance at one end of the room, Gerry Moog took another official aside at the other end. Speaking in German, which Davis did not understand, Moog asked about the likelihood of getting financing for the Hydro building. Even though Moog's dealings with Hydro were then in the very earliest stages, these gnomes of Zurich might be forgiven for feeling that there was little doubt that Gerry Moog would get the job. Wasn't he sitting in their offices with his friend the Premier of Ontario and wasn't it obvious that they had been having a very good time together?"

Mr Mammoliti: So what are you saying?

Mr Conway: The point is he got the contract, and in the end of course the select committee believed the story that they were in that room together, that they had travelled around Europe and that Billy Davis did not know anything of what was going on. I was not there. Who am I to say what the truth was? But I am from Missouri and you can appreciate how there might be a shred of scepticism.

Members ask, "What is the point in all of this?" The point in this is simply the following: The relationship between Hydro and governments has been very close. There has never been, in my view, notwithstanding the public ownership, very much accountability, particularly to this Legislature. Quite frankly that blame is largely with the Legislature. I accept my share of blame. Most of us have failed a fundamental responsibility of responsible parliamentary government. When you think about what you are dealing with in Hydro, it is probably no surprise. It was

very technological, so how do the farmer from Hastings and the graduate student from Renfrew understand a grand design, a great engineering feat like Queenston, or God forbid, the plants at Pickering and Bruce? It is very difficult to meet your requirement as a responsible legislator.

Of course in the beginning—this is the point of the lecture, I suppose—Adam Beck fought fiercely against private power interests that wanted him out of business. There was no question that in the first 25 years of Hydro, largely under his leadership, he was perfectly paranoid, and on a number of occasions he had every reason to be paranoid because the plutocrats, particularly of Toronto, were out to get him. But that created a culture that has coloured much of Hydro's development over the years. Now as a private member, unfettered by cabinet responsibilities, with a new bill that asks me to make some change, to contemplate some change, I get a chance to talk about accountability. I am more interested now than I might have been in the past.

That takes me to the bill. I want to talk a little bit about that bill because it says a lot of things that I do not think a lot of people here understand. Simply put, the thing about this bill which to me is breathtaking is the kind of mechanism it contains for accountability. I want to restate that I have no quarrel whatsoever with the new government's decision to strike a new relationship with Hydro. I have a bit of a problem with some of the rhetoric because, boy, we have heard it all before. It has been equally well meaning and it has generally not amounted to very much.

As I say, when I see Billy Davis reduced to that kind of condition in a Zurich bank anteroom, or I read of the farmer-labour Premier bitterly complaining about this impossible tyrant, genius that he might have been, I understand something about the difficulty. I look at this bill and I think about what the government has said in terms of supporting it. Before I even make those comments, I should raise the circumstances that have been alluded to by previous speakers in so far as origins of this bill are concerned.

Clearly there was a fight, quite a nasty fight from all reports, between the new government and the old board. That in itself is not new. In Viv Nelles's wonderful book, which I have not referred to but which is a great bit of reading, there is an allegation from a pretty good source that a former member of this Legislature, actually a member from Hastings, a long-time chairman of the hydro commission, actually committed suicide because he was so outraged at the innuendoes that were being thrown at him by, actually, the Liberal crowd in the mid-1930s. It has not been a very happy situation, the fights that have gone on between the board and governments. I think it was the distinguished member for Lanark-Renfrew who made the very good point that if the government is looking for accountability, it has it. Theoretically it has it. It has it in so far as it appoints the board.

Mr Mills: "Theoretically"; you said it.

Mr Conway: The member is talking to the converted. I know exactly what the member is saying. Mitchell Hepburn was so fed up with the former editor of the *Globe and Mail* he made chairman that he fired him, because he

would not do the Premier's bidding. In a real sense, what the government encountered is not new.

I have a great deal of respect for Alex MacIntosh and some of the other members of the board whom I know. I gather there is more to this story than I know, but on the face of it, it looked like some on the old board were not very keen about some of the new government's directions. I gather that there is more to the story and that it involves this Premier. I do not know, because I was not there, but some of the members are very responsible, reputable people and they are furious at the way in which the transition occurred.

I will simply say that there is no question in my mind that any government, particularly a newly elected government, has without any question the right to move in any direction it chooses.

Mr McLean: You gave this speech 10 years ago.

Mr Conway: I think I probably did.

Mrs Caplan: That was then. He says the same thing now. Isn't that unique for this House?

The Acting Speaker: Order.

Mr Conway: Actually I am sure I did not make this speech 10 years ago.

I will tell the members who have not read this bill that as one member of the Legislature I am embarrassed. We all should be embarrassed to have in front of us a bill that has this kind of wording. I will read section 9 of this bill: "Any action taken on or after the 5th day of June, 1991 and before the coming into force of this act by any person purporting to act as the corporation's chief executive officer who was not the corporation's chairperson when the action was taken shall not bind the corporation." That is an embarrassment to me as a legislator. I say that against the backdrop of my previous remarks.

To be presented with a statute that has that kind of language is, I think, to insult this Legislature. It is a bit unedifying. I do not know who is to blame, but I am not very impressed. We have done some Looney Tunes things in this place—as I say, the Repudiation Act of 1935 was about as looney as it got—but in 1991 this is rather disquieting to me as a legislator. I just want to put that on the record.

When the government introduced this bill—I think it was June 5, 1991—I was interested to read the minister's statement. The bill was being introduced to do a number of things. It was being introduced to give effect to new energy directions the government wanted to proceed with. It wanted, as part of those directions, to have more emphasis on conservation. It wanted, according to the statement, to make the business of Hydro more open and more accountable. It wanted as well to do that in a way that would be consistent with the traditions of this place. It was pointed out that it would be done consistent with the provisions of the federal government's Financial Administration Act. It is against that backdrop that I want to talk about this bill.

1700

I want to say at the outset that the bill as presented had a very remarkable mechanism. The guts of this bill are as follows. The new government wants to empower itself to

provide directives to Ontario Hydro's board. Those directives could be, until today, anything the cabinet chooses and, once a directive is issued on any subject under the sun, the board of Hydro must accept that without delay or debate. That directive then must be incorporated into the mandate of Ontario Hydro, and any costs associated with that directive are passed on to the bulk power users.

There is absolutely nothing in this calling for legislative oversight. There is absolutely nothing in this that requires the cabinet to lay such a directive before the Legislature. There is absolutely nothing in this, until today's amendment, which requires that those directives ought to have anything to do with the traditional mandate of Ontario Hydro.

I understand what my friends say they want to do, and that is their decision to take, but what they say they want to do and what their bill states are not at all the same thing. I want to start analysing that relationship.

The reason I want to do that is I know who wrote the bill. The little history lesson is going to be invoked again. I am more than a little interested in and more than a little upset about the circumstances of the writing of this bill, because I know where this bill came from. I know who wrote it. I know who is sponsoring it. I know who is walking it every critical step along the way.

I have a lot of respect for my friends opposite. It may not appear that I do, but it is because I do, not only because of who they are personally but what they represent, that the knowledge of who wrote this and what he is up to just drives me to a wild Irish rage.

The tragedy for me is to see the lone ranger from Kitchener, the now minister, and it is quite clear to me the minister does not know what is in this bill, and I think I know why. To be fair, he will not be the first Minister of Energy not to know.

We once had a famous Minister of Energy, Jim Taylor, the long-time Tory member for Prince Edward-Lennox, who used to tell us what it was like. Jim was no acme of perfection, but he had some experience that I never had as a Minister of Energy and his public confession of his life and times as Minister of Energy again gave me a lot of sympathy for what the new minister is facing and, God bless her, what the old minister must have lived through in the genesis of this bill.

Let me start into the bill. Section 1 of the bill essentially deals with the board and adds four new people to the board. I gather that had to do with the fight, not entirely, but significantly. Some of my colleagues might carp about a former leader of the NDP being on the board; I have no problem with that at all. A good Liberal researcher, I think, is on the board—she was one of our researchers, Adele Hurley—and I think both she and Michael Cassidy will bring a very real distinction to those responsibilities.

Some people have talked about the deputy minister being on the board as a non-voting member. Knowing something particularly of the relationship between this Deputy Minister of Energy and the chairman of Ontario Hydro, why would I waste my breath on any provision in the statute?

Then we have the situation where the chairperson is now going to be the chief executive officer of Ontario Hydro. That, of course, gets into the question of the fight as well, because I gather the board reorganized itself and promoted a long-time Hydrocrat, Al Holt, who I do not know but who I gather has quite a good reputation as a very good, tough-minded fellow at Hydro. The so-called rump board made a decision to nominate Mr Holt as CEO at Hydro.

That was, I guess, done against the express wishes of the leader of the government and so we get the bill, we get the additional members to the board and we get the statute making clear not only that the chairman is the CEO but that, I repeat, "Any action taken on or after the 5th day of June, 1991 and before the coming into force of this act by any person purporting to act as the corporation's chief executive officer who was not the corporation's chairperson when the action was taken shall not bind the corporation."

It is just—

Mrs Caplan: Silly.

Mr Conway: Well, it is not silly but it is unedifying, and it says something about what we are dealing with here. What we are dealing with here, quite frankly, in two levels of the phrase, is power politics, and members should never mistake it.

Then there are the sections of the bill that I really like that really tell me who has written this. Listen to this: "The directors appointed," by the cabinet, "other than the chairperson, shall be paid such remuneration and expenses by the corporation as may be determined from time to time" by the cabinet, and the remuneration and expenses shall be part of the cost of Hydro. Essentially, the cabinet gets to set the remuneration for the board members.

But a change comes in the next section, because heretofore cabinet has set the salary in terms of employment for the chairperson. But what does subsection 1(4) of this bill say? "The chairperson shall be paid such remuneration and expenses by the corporation as may be determined...by the board." Is that not cute? Is that not clever?

Why do I get mad? Because I believe this government when it tells me that what it wants to do is to exact, on behalf of the people of Ontario, public accountability. That is a perfectly laudable ambition. What have I got in this bill? I have in this bill a very clever scheme developed by the Mephistopheles who wrote this thing that, oh no, he is not going to be bound by any cabinet setting his salary. No, that is going to be a change, presumably in the name of public accountability and public confidence. What we have here is a change so that while the cabinet will still get to set the per diems of the board members, whatever they may be, a couple of hundred a bucks a meeting, the chairman will have his salary set by the board.

I am going to tell members right now that if this government means what it says it means, and I believe as honourable men and women they believe it, then together we are going to do something, and one of the amendments we are going to make is to change that. We are going to give back to this government and to me and to our trustees in this respect, the Treasury bench, the right to set the

salary of the chief executive officer of Ontario Hydro. I cannot conceive of an argument that would set that aside.

I have to digress for a moment. Stephen Lewis, when he was here, had a phrase and I have never forgotten it because it used to roll off his tongue with an eloquence that was breathtaking. The word was "chutzpah." I sat here today as a former Minister of Education and I pinched myself. I thought, am I hearing this? Am I hearing from the new NDP government a restraint message, which, I repeat, I totally support?

But who is carrying the message? A former chairman of the Toronto Board of Education. I almost had a heart attack. To quote Stephen Lewis, that is chutzpah with a capital C. It is breathtaking to be lectured by a recent chairman of the Toronto school board about the importance of restraint and all they are going to do and expect from the transfer partners. Bonne chance. Good luck. I just hope there are no Tony Silipos out there because if there are and he delivers that message, there will be a laugh so loud one would think Brian Mulroney has retired.

1710

I just say to my friends opposite that I accept what they are saying about accountability, but I want to serve notice now that I will support any government amendment, and should there not be one coming, I am going to move one. I am going to fight till hell freezes over to remove that section of the act that removes from the cabinet the right to set the salary and the benefits and all the rest of the chief executive officer of Ontario Hydro.

I do not know whether other members have heard it, but I have heard it, and I cannot believe it. I have heard because there are press reports that suggest that at a recent board meeting the new CEO asked for a salary of \$450,000 annually, an expectation that he will get a bonus apparently—to be fair, a bonus that has been paid to others but something in the neighbourhood of about \$100,000 annually—and a full pension of 75% after six years. That is only one press report. I cannot believe it is true. If it is true, I will fight till I drop before I let this bill pass, and I will let it pass, obviously as I must, but not until I have the sanction of this cabinet on that salary. If that is what the government wants to do, then that is fine. We will debate that here and elsewhere in the day and age of restraint.

When I think that my friend the member for Durham East is out there slogging night and day for his \$45,000 or \$55,000, and some character who is in the unbelievable conflict of interest of writing a bill that effectively makes him Minister of Energy, and at one and the same time—a shamelessness that makes me think I am reading Gerry Caplan about auto insurance—he writes into this little bill a removal of the power to set his salary from the executive council.

I am getting worked up and I am sorry, but I am going to tell members that there had better be a government amendment to this section because if the minister believes what he says, and I believe he means it, then we are going to have accountability and the cabinet and the Legislature are going to set that salary. By all reports that is the most significant public salary in the immediate or nearly imme-

diate purview of the Ontario government anywhere in this province.

Now I want to deal with section 2 of the bill, and that deals with the directive power. I must say that the minister has introduced amendments, which to his credit are going to respond to what has been out there. Members have all heard it. I am not one of those who is going to go around and say, "I know they're planning a whole bunch of crazy things." I do not think any government wants to do anything obviously crazy. We did one thing pretty crazy and we paid the ultimate price. It is a reminder that—

Mr Hope: That was the election, eh?

Mr Conway: God, the member is not kidding, and that is the joy of being human. I have been watching that fabulous PBS series on Lyndon Johnson, somebody who was so incredibly good, who was so incredibly wrong, as were all the wise men, about Vietnam. It is good to know that you can sin with the best of them.

We look at section 2. We look at the directive power. Now that we have had the confession, my question—for me it is the main point, and I am sorry the member for Cambridge is gone because he was sitting there saying, "Conway was on this rant about Adam Beck and all these people." You see, we have another Adam Beck. That is my point. The government has another Adam Beck. It does not know it. I think I do, and I may be wrong, but I do not think I am. I carried baggage for almost six years for a few characters, one of whom I am going to return to who would give the government members very high praise. They are the men and women, particularly the government members, but we all have to go out for our \$45,000 or \$55,000 or \$65,000 and do our duty and explain government policies, the sins of commission, the joys of success and all the rest of it. I just think we owe it to ourselves to know what we are doing.

The poor minister introduces an amendment and in this it is hard for me to know who is Edgar Bergen and who is Charlie McCarthy. I am not at all surprised, and I congratulate the minister for backing off, but far more important to me is how did that get there in the first place? I know how it got there. I know exactly how it got there. That is why I say to my friends opposite that they had better know what they are dealing with. We all had better know what we are dealing with. We have a real live one here. I have had some experience with the new chairman of Ontario Hydro. I am going to deal with him a little bit later.

This directive power understandably got people's attention because it was open-ended. There was no encumbrance. There was no responsibility to put what was going to be done by way of directive in the context of Hydro's mandate, which is the generation of electricity and the distribution of same and some other things obviously tied to it. But most people, when they think of Hydro, expect a public utility that is in the power business and they do not expect it to be in a lot of other businesses that have nothing to do with power per se. This directive power was sweeping.

What really angered me was to read in the statement of June 5: "Not to worry. What we want to do here is what is in the Financial Administration Act of Canada." I asked a

question the other day and I did not ask it innocently, because I saw that and I thought, that is really unusual. I went and I looked. The member for Victoria-Haliburton made a speech today and I am going to look at the Hansard carefully, but I have looked at the Financial Administration Act very carefully and I have spoken to some people in Ottawa who know its workings intimately. I do not intend to go on at any great length at this point, but I am deeply sorry to report that the minister's statement of June 5 to this House about the Financial Administration Act is significantly incorrect.

I cannot say what I want to say, and I have great respect for the member for Peterborough. Just like the directive power stuff, I do not think this is accidental. I do not think it is accidental at all. The Financial Administration Act has a number of sanctions that are similar to Bill 118, but it has some safeguards we do not see in Bill 118. Those are the safeguards members would expect to see. If there is going to be a directive, the Financial Administration Act makes plain that within 15 days of that directive being issued it must be laid before Parliament, that it is not within the power of any of these directives to expand the mandate of the crown corporation beyond that which Parliament has decided.

According to an official with whom I spoke in Ottawa, it is not the intent of the federal act to allow cabinet to use the directive power to materially alter the mandate or objectives of the operating legislation of any federal crown corporation. I repeat, there are a number of very—

Mr Hope: Did you say "in his opinion"?

Mr Conway: I am going to tell the member, it is not just his opinion, but it is the statute.

Mr Hope: Well, that's what you said, "in his opinion."

Mr Conway: The member should just forget his opinion and look at the—

Mr Hope: That's what you base it on.

Mr Conway: I am not a legal counsel. The member should forget what my friend said to me. I just look at the statute. There are significant differences between Bill 118 and the Financial Administration Act. They could not be clearer.

Mr Hope: You should never refer to the statute.

Mr Conway: Well, you see, we are not dealing with inadvertence here. There are places where we are, but here I do not believe we are at all.

1720

Let me just read two sections of the federal Financial Administration Act, section 91c: "No person shall, unless authorized by an act of Parliament, apply for articles that would add to or otherwise make a material change in the objects and purposes for which a parent crown corporation is incorporated or the restrictions on the businesses or activities that a parent crown corporation may carry on as set out in its articles."

Then, in section 95.1 of the federal act: "No parent crown corporation or wholly owned subsidiary of a parent crown corporation shall carry on any business or activity that is not consistent with the objectives and purposes for

which the parent crown corporation is incorporated or the restrictions on the businesses or activities that it may carry on as set out in its charter."

Those are very clear legislative sanctions; that, together with the requirement that any directive must within 15 days of its issuance be laid before Parliament. Where do we find those in Bill 118?

To be fair, the government is moving to contain that, and I congratulate it for it and I will support it. I know who wrote the bill. That was not an accidental mistake. I am angry, to say the least, that two responsible ministers in their relatively new government would be made to stand up in this House and speak words that in my view—to use the most charitable phrase I can find—are incomplete relative to the facts of the case vis-à-vis the Financial Administration Act of Canada.

As I say, we will want to look at the amendments, and I congratulate the government for responding to the pressure.

Mr Hope: There is no pressure.

Mr Conway: Clearly the pressure. It is obvious to everyone, and that is the way the system works.

This section is not insignificant and we are going to talk about it at some length.

I want to turn now to the issue of how that directive power has already been used. I should say that I understand that under the Power Corporation Act, as amended in 1989, there were sections introduced that have given the new government some scope to move in the case of Elliot Lake.

I know some members have not read the act. One of the things they might want to do is read the order in council around Elliot Lake, because I have been reading it. It is a very interesting order in council. Orders in council are made public from time to time. They are as a matter of course made public all the time. Legislators tend not to see them very much, because they are an executive instrument.

I think it is fair to say that the public out there is seized of this concept of power at cost. It does not mean the same thing to everybody; as I say, to an urban manufacturer it means one thing, to a farmer it means something else. But there is a great deal of concern that, my God, we are going to have electricity bills that are going to start to carry a whole series of costs and programs that have nothing to do with power.

Of course, they look to the two initiatives the government has taken, one in Elliot Lake, the other in Kapuskasing, and I tell members they have some cause for concern. I repeat that, lest there be some activist in the NDP who wants to run out tonight and say, "You know, Conway's down in that Legislature saying Elliot Lake should be left to its own devices."

I am going to make another slight digression to another interesting report, the select committee report of March 1978 on the uranium contracts which are at issue in Elliot Lake. I remember those days. I was not on the committee at that time, but the committee was chaired by a former leader of the NDP, Donald C. MacDonald. Among the NDP members was a very effective member of that committee, the now Minister of Housing, the member for Ottawa

Centre, then the critic for Energy. She was the member for Carleton East actually at that time.

Bill Davis as Premier referred these extremely interesting contracts to the select committee in the minority government days of 1977-78 and said, "We want the select committee to take a look at these over the course of some months"—I forget; it was late summer of 1977 through the spring of 1978—"and we want you tell us whether you think they're in the public interest." I am not going to bore members with the details. The government members, surprisingly, thought they were very much in the public interest. The Liberals and the New Democrats thought they were not in the public interest, and the NDP, in its minority report, made it very plain that it thought those uranium contracts were very much not in the public interest and that the government ought to nationalize Rio Algom and Denison.

I find it interesting, in light of all the antinuclear rhetoric that is out there, all that has been said about these contracts by the NDP over the last 15 years, that what is the first thing the NDP government does with those contracts when it gets a chance in government? It extends them by three years at a premium cost to the ratepayers of \$160 million. The government will say: "Listen, the cause was good. Surely the end justifies the means."

I just want to make two comments. The government is avowedly against the extravagance of those contracts, and it has been avowedly concerned about the high costs of nuclear power. What is the first thing it does in this connection, for whatever reason? It extends these extravagant contracts by three years at a cost to the ratepayers of \$160 million, and it decides, obviously, that it may want to do more of the same elsewhere. I simply make the point that if it is concerned about the costs of nuclear power, I hope it has understood what it has done here, for whatever good reason.

The parliamentary assistant is saying, "Yes, but it's only for three years, and when you assess it against, my God, the cost overruns or the differential price of the last 10 years, it's a pittance." That may be all well and true, but I repeat, what did the government say about those contracts and what are its stated concerns about nuclear power? "It is too expensive and those contracts are extravagant." The first thing it does is add to the cost of nuclear power, apparently, in quite a significant way by extending contracts that it always thought were too generous at a premium price of \$160 million.

The parliamentary assistant will say and the cabinet would certainly say, "We looked at a range of instruments"—presumably—"and we thought this was the best way to do it." That is fair ball. That is a choice made. We will debate that. Certainly, I am sure the people in Elliot Lake, in light of some of the other alternatives they were probably faced with—and my friend the member for Algoma-Manitoulin is very vigorous in pressing the claims of that area to his colleagues in the Liberal caucus.

At any rate, the order in council on Elliot Lake was fascinating. I am going to read it to members to show them the way Hydro does business, because the government is interested in and concerned about openness, fairness, the Marquis of Queensberry rules and accountability. Let me

read the second order in council having to do with Elliot Lake. Members may not have seen this, but it was signed by the Lieutenant Governor's hand on June 6, 1991. It was concurred in by no less a person than the Minister of Health herself, then the Chairman of Management Board, the member for Beaches-Woodbine.

I am going to read this carefully, and I want members to listen:

"Pursuant to section 9a of the Power Corporation Act, RSO 1980, chapter 384, as amended, the Minister of Energy is authorized to issue the following policy directive, and the same is hereby approved:

"(1) Whereas the Hydro corporation is desirous of terminating or amending existing agreements relating to long-term acquisition of natural uranium from producers in the Elliot Lake region; and

"Whereas such action will result in savings for the Hydro corporation"—and I want members to listen carefully to this—"but will adversely affect the said area;

"Approval by the cabinet under section 23 of the Power Corporation Act relating to the acquisition of uranium from other than Elliot Lake sources chosen by Hydro will be granted, subject to the normal government scrutiny and review, if the Hydro corporation does agree to participate in the Elliot Lake region economic development program referred to in a regulation made under the Power Corporation Act."

Is that not interesting? I used to play a lot of hockey—
1730

Mr Mammoliti: You're out of breath.

Mr Conway: I am not out of breath. Did you hear what I just read?

I say to the government, I accept what it wants to do. They want openness, fairness and equity. Basically that is the following. The cabinet is saying to Hydro: "Listen. We know you believe, and we believe it too, that these contracts are extravagant and that you can buy much cheaper uranium elsewhere, and we're quite prepared to allow you to do so. But you understand that if we terminate these contracts, there will be a devastating effect on Elliot Lake, so let's make a deal. Our deal with you is this. We'll let you buy uranium elsewhere than Elliot Lake, but only if you agree to participate in the regional economic development program in Elliot Lake."

Mr Hope: What's wrong with that?

Mr Conway: My friend the member for Chatham-Kent says, "What's wrong with that?" For a government that is talking about openness and accountability that is blackmail, pure and simple. That is exactly what it is. If that is the way the government wants to run Hydro, it is fine. They should go to it. But they can understand my incredulity when they tell me, as the minister did on June 5, that they want a new day and openness and accountability.

I suspect Hydro has been blackmailed before. I suspect the government is not the first to do this. But I suspect I will have to go some to find an order in council that is quite as delicious as this one is. This is the smoking pistol. It is right there for anybody to read. I just make the point. The government is running the Orono public utilities

commission, which is sitting back and saying, "I really don't like this business around the directive power, but Mills is a responsible guy and I'm prepared to give him the benefit of the doubt." Somebody then comes along and says: "By the way, have you seen chapter 1 in this book? Have you seen Elliot Lake? Have you seen what they did?"

It was no surprise to me that added to that order in council was this third point: "That officers and directors of the corporation who exercise their decisional discretion in compliance with the policies set out herein will be saved harmless and indemnified jointly and severally from and against any and all liability incurred arising from this exercise."

Believe me, if I were on that Hydro board and I got that, I would want the best lawyer in North America to protect me from what happens. If I were on that board and some beleaguered Hydro ratepayers in Kent county decided to take the corporation to court—I am not a lawyer, but that order in council raises with me grave concerns about the kind of relationship this government wants to have with Hydro.

My only point is this: I hear what the government wants to do and I commend it for that, though I think a lot of the policy is ill advised. But they have a right to be wrong. I look to the speeches, I listen carefully to what they have to say, I look at what this act says and allows and then I look at the first order in council. I have no problem whatsoever if they want to provide assistance to Elliot Lake.

I take them back to my example in the farmer-labour days. The government wanted very much to provide relief to farmers and people in rural Ontario but chose not to do it the way this government is doing it. They are doing it by burdening the ratepayers with costs that have much more to do with regional economic development or regional economic relief, which are entirely laudable objectives. But there is a fundamental question of public policy about which I will fight the government tooth and nail. Premier Drury decided to help the farmers not with a rate-based program but with a very interesting mix of provincial subsidies, some of which taxed Hydro itself.

The Elliot Lake situation gives me great concern. I look then to Kapuskasing. The concern I have around Elliot Lake is what this order in council says and it could not be more clear. If they can do that in Elliot Lake, what are they exposing Hydro to and the people of Ontario to elsewhere? It is a slippery slope from which there is little or no recovery.

Then we have the situation at Kapuskasing. I know the Premier and the Minister for Northern Development and the member for Cochrane North worked tirelessly to get a fair resolution. I know the private sector character with whom they were dealing—and I am going to tell the members that is some character. I am glad the Premier was doing the dealing and not me, because I would not have the patience.

Mr Mammoliti: How does Mike Brown feel about it?

Mr Conway: The member might want to ask him. This is a debate that will go on for some time. I say to my friend who is interjecting I do not think he is understanding the point. The point is not a question of whether they provide relief to Elliot Lake and Kapuskasing. They absolutely want to do that, everybody will concur. The question is how they want to do that. I am not one who would accept a public policy that would deliver that kind of regional economic program on the basis of ratepayers. I think that is a fundamental mistake to be made by this or any other government.

We get to Kapuskasing and we have a different situation. The situation there concerns Smoky Falls. My point there is going to be somewhat more concise. The government directed Hydro to buy Smoky Falls at a cost of about \$138 million, and further directed that a number of specific power contracts be entered into with the mill for a period of 10 years at a considerable cost, again for a perfectly laudable objective. I have two questions there. Why should the ratepayers of Hydro pay that bill?

I want to go back to a fundamental question of taxation and fiscal policy. One of the places where I think the NDP has been eloquent, passionate and consistent is in its loathsome detestation of regressive taxes. It does not like consumption taxes, it says, and I understand its point of view because they are indiscriminate. A grandmother living in Orono will pay those taxes at the same rate as some Toronto plutocrat. That is unfair. It is inequitable.

I say to my friend the member for Yorkview that he should think about the tax policy that informs this bill. That grandmother, that single parent in my community who must have hydro and has no choice, is going to pay disproportionately for those regional economic subsidies in a way, for example, that some of the rest of us will not to the same degree. In my case, I got my electrical bill at the house in Pembroke the other day. It was \$14.10. I was living at my cottage for the summer and what have you, but it is also because I have a house that is largely run by natural gas.

My neighbours, people on fixed incomes, have no choice. Instead of being \$14.10 for 58 days their hydro bill will be \$250. My point in this is the equity of a policy that suggests that the bailouts in Elliot Lake and Kapuskasing, well intentioned as they are, are going to be disproportionately carried by the people of Ontario. That is what I object to.

1740

They should be carried, I say to my friend the member for Sault Ste Marie, by the consolidated revenue fund, because we all pay into the fund largely on the basis, more or less, of our ability to pay. In relative terms, relative to Hydro rates, it is a lot more progressive. It is not perfect.

I know my friends from Frontenac-Addington—the Minister of Government Services represents a large county like mine. Those people up in Northbrook and Cloyne and Danby are sitting there. Like most of my constituents, their Hydro bill is going to be a lot more dramatic than that of their friends living in Kingston, because the people in Kingston have a choice.

I just hope the government members understand the tax policy that is incorporated in this scheme. They are not being very realistic if they do not understand that. My friend from Durham I think understands.

Mr Mammoliti: Your speech was okay at first.

Mr Conway: I would put this as a much more fundamental point. I ask members to think about regressive versus progressive taxes. If they cannot understand how Hydro rates are more regressive than, say, an income tax, there is no hope in this debate. For those hundreds of thousands of Ontarians who live in rural environments with no choice but Hydro, it is a doubly iniquitous business.

The second point I want to make around the Smoky Falls business has to do with the demand-supply proposal that Hydro has now before the Saunders panel. I am quite astonished, actually. I thought the reason Hydro was interested in Smoky Falls, in significant measure, was because it fit into the further development of the Moose River basin. I may be wrong in that, but I do not think I am.

What did we see the other day? We saw that the government has gone to that panel, to the demand-supply environmental assessment panel, and withdrawn the Moose River hydroelectric development in light of concerns voiced by the aboriginal community. I understand that. My question is almost a commercial question. Why did we force Hydro to buy Smoky Falls, at apparently a premium price, if we are not going to proceed with the Moose River development? I suspect, on the basis of the announcement the other day, that we are not going to be proceeding for some long period of time, if ever, with the Moose River development.

Where do we stand with the environmental assessment of the Hydro demand-supply plan? Every day the plan changes. I do not know whether my friends opposite understand, but I can appreciate, on the basis of the party position over the years, about no more nuclear. I hope the government understands what it has done at Moose River. It has withdrawn over 50%, I think it is, of the future hydroelectric development in the province. That is its right. So it is not only not proceeding with any more nuclear but it is shelving substantial components of the future hydroelectric development, for whatever good reason.

Hon Mr Buchanan: Who was going to cancel Darlington in 1985?

Mr Conway: My friend the minister says, "Who was going to cancel Darlington?" I am not here saying that Darlington has not proceeded. My point is, what is the integrity—

Hon Mr Buchanan: You guys were going to cancel Darlington.

Interjections.

The Acting Speaker (Mr Villeneuve): Could I call all members to order, please. As you know, interjections are out of order. The honourable member for Renfrew North has the floor and you will have your opportunity to question, to comment and to participate. The honourable member for Renfrew North.

Mr Conway: My question is simply this: What is the integrity of the environmental assessment of Hydro's 25-year demand-supply plan? It changes every day. Not only has the government pulled out the Moose River proposals—again, from its point of view, for admittedly good reasons—but every day the chairman of Ontario Hydro changes the conservation targets. On what basis, who knows? I do not know how the panel can continue to do any business over there. In fact I would expect one of these days they would adjourn the whole proceeding.

At any rate, that is not a major concern, but I must say I am very interested to know what exactly is planned at Smoky Falls in light of what the government has chosen to do with the Moose River development.

In my remaining time, I want to look at some other aspects of the bill. I hope I have made the point around my concerns with the directive power and what they have actually done at Elliot Lake with that actual June 6 order in council. It is not theoretical; it is real. They have done it. I was absolutely blown away by the language of the OIC, and that does not give me great comfort about what they or any other government might want to do in the future. That is why when this bill is amended, if that is what they are up to, I want those kinds of directions tabled in this Legislature. Because they want and I want accountability and oversight where they are not going to be allowed, as I would not want any government to be allowed, to pass that kind of directive and not ensure that it sees the broad light of day in this Legislature.

The points that have to be made around fuel substitution I am going to leave perhaps to another time, except to say that, again, Hydro ratepayers in my area are flabbergasted to think that their Hydro rates are going to be used to subsidize an off-electricity program.

That does not sound bad, but I think one of the first plans the government has, the pilot project, turns out to be in my own constituency. The local reaction is really interesting. Not too many people know about it yet, but I have a feeling when people find out that it is specifically—I gather the cabinet has before it, if it has not already dealt with it, the pilot project to have Hydro subsidize substantially natural gas conversion for the town of Deep River, a town which is in dire straits because it is a single-industry town in my county committed to nuclear power research. So the members can appreciate their agitation at the present time.

But when Hydro ratepayers finish digesting Elliot Lake and they start to think about what the fuel substitution policy is actually going to mean—that fewer consumers in given areas are going to be forced, with substantially higher rates, to pay for friends and neighbours to switch to other sources that will only drive their rate up even higher—I suspect the politics of that are going to be incendiary. I might be wrong, but I have a feeling it is going to attract the attention of a lot of members.

Hydro rates are like insurance rates. We all pay them. They are inescapable. They are a tax that lands on one's head quite dramatically. They really capture the imagination. When you know they are increasing by 45% minimally over the next three years, and much higher than that

in some areas, and you read in the local paper that you the Hydro consumer, with rate increases that are going through the roof, are subsidizing—can you imagine being out in the country in Elgin county and getting the Hydro bill one day and just getting mad as hell because you have lost your job and God knows whatever else has happened and the Hydro bill is up 15% and you read in the London Free Press that \$350,000 is being provided by Hydro to allow people—not in your town because you do not have the natural gas alternative—to switch?

If you are on the subsidizing end of that, I do not think you are going to be very happy. I do not think you are going to be very happy at all. As I said, I think there are very, very incendiary politics associated with that.

When I deal with the last section of the bill, I want to simply make the point that there is a wonderful retroactivity in this bill. It essentially says that the whole bill comes into force at royal assent, except those parts of section 1 that deal with the empowerment of the chief executive officer. There again, I think we have what this bill is all about.

1750

I want to conclude my remarks today by making some very summary comments around what I think this bill is all about. I think this bill was written by the man who is going to principally benefit from it. I do not think there is any doubt. This bill was written by the now CEO of Hydro, the former Deputy Minister of Energy, Marc Eliesen.

I know Marc Eliesen and I know the following things about him. He is a very bright, he is a very committed, he is a very tireless public servant. I was even asked to take him on as a deputy minister in my time as the Minister of Education. I chose not to do so.

But I have talked to a number of people who know Marc Eliesen. I know he is near and dear to the Premier's heart. Toronto Life tells me so. Could there be a more incontrovertible source of real information than Toronto Life? I doubt it. I think Toronto Life calls him the Premier's alter ego. That is why I want the Premier to stand up in this Legislature and tell me what he as Premier is prepared to authorize as payment and working conditions for his alter ego.

Those who have worked with Marc Eliesen know him to be not just tireless and not just creative, but Marc Eliesen is a man with a mission, and Marc Eliesen's role in the scheme of things is a very important part of that mission.

I have to say this. I want to congratulate the government this week, very directly, for the firing of Bernard Ostry. I think they deserve to be congratulated, just as the Davis, Miller and Peterson governments deserve to be castigated for that man and the incredible misconduct I believe he perpetrated on the public purse of this province. I consider it one of the most shameful aspects of my failure as a minister in the Peterson government that on at least two occasions, if not three, I could not have that man fired.

I wanted him fired not because he is not a bright, capable fellow. He is all of those things, but Bernard Ostry is today what he, in my view, always has been. He is congenitally insubordinate. His attitude to any kind of executive or parliamentary control is today what I think it has always

been, and that is a proud and consistent middle-finger salute. Words fail me to describe my upset and outrage that this man was allowed to continue at TVO while I was in the cabinet, and I am just delighted that the Bob Rae government fired this man for the endless obscenities that he perpetrated on the public purse. I do not want to belabour it, but—

The Acting Speaker: Yes, it is Bill 118 we are working on.

Mr Conway: I know, and that is my final point. There is a connection. It is not exactly the same thing, but I am deeply concerned that in a different way, we have ourselves another real live one; that in Marc Eliesen we have a manipulative superbureaucrat who does not give a tinker's dam for this cabinet, for this Parliament, and quite frankly for most of the people of Ontario, as bright and able and creative as he is.

I accuse him of putting this bill in two ministers' hands and I accuse him of knowingly misrepresenting some things that he bloody well ought to have known. I think that is the way he does business and I am horrified to think that, for all his ability, he is being offered up as the new major-domo of accountability.

These are harsh words and I probably should take some of them back, and I would, I suppose, in some respects. Well, I do. But I am really concerned and I am really angry, because I think we have got ourselves another one. When I think that Bernard Ostry dined out here for nine years, with one outrage followed by yet another extravagance followed by yet another unbelievable insubordination, and it took nine years and three governments to finally root that cancer out, I hope we have learned a lesson.

Bernard Ostry is not this government's responsibility, although he is a great credit to its resolve. But Marc Eliesen, mark my words, on the basis of experience that our government had with him, is a man quite prepared to advance public policy completely outside any statute, completely outside the stated aims of any government, because in Marc Eliesen's world, the end justifies the means and any end worth having is an end, rather like Ptolemy's universe, with man, in this case King Marc, at the centre.

This government has a right as a government to make these changes. I have a right as a member of the opposition to point out where I think this is flawed. I think the bill is flawed in some areas where they are not doing the things they want to do. I am quite prepared to absolve them of that, because I think I know the problem, and the problem is the man who wrote this bill, the man who will benefit from this bill, a man who, as it was once said of imperial Britain, has no permanent friends and no permanent enemies, just permanent interests, and those interests are always going to incorporate Marc Eliesen at the centre of things.

I would conclude my remarks by saying this is an important bill. I think it is a bill that does not do some of the central things that the government wants done. I commend the minister for bringing forward amendments to deal with particularly the unrestricted directive power.

I hope every member in this assembly looks at this bill carefully. I hope a lot of people are prepared to debate it and the energy policy that informs it, because I think they are playing with dynamite. I support a lot of the rhetoric, but the reality, my friends, particularly for people in my part of rural eastern Ontario, is going to be pain, the like of which they have not experienced on their Hydro bills ever before.

I think the province, the community, the economy is in dire risk of running serious shortages that are going to compromise not just the social wellbeing but the economic prosperity and prospect of the province and much of the country, and as I look to the developing stages of this bill, I am going to expect some amendments that are going to deal with more accountability and legislative oversight.

I certainly expect this bill will be canvassed not just in this chamber but, during the winter intersession, across the province, because many people I represent will want to talk about this bill, will want to tell the government what they feel, which may in some cases not be what I feel, around the key ingredients of the directive power and the inadvisability, the unfairness, the regressivity of Hydro rates being used to deal with the Elliot Lake and Kapuskasing difficulties, about which we all want something done.

This, my friends, is a very important bill. That is why I felt the need to go on at some length this afternoon. What I say I do not say lightly. I am sorry in some ways that I had to be so accusatory, but I look at this bill and I see some of the old manipulations that would make Adam Beck rise from his grave and beat his breast and say, "My, my, but my legacy of public ownership but with no public accountability is apparently, on the basis of Bill 118, alive and well in the heart, soul and mind of Marc Eliesen, chairman-designate of Ontario Hydro."

Mr Hope: Unfortunately, I missed part of the history class that was given during the speech. But, dealing with the comments about the Chairman of Management Board being a school board trustee and talking about constraints, I must reflect back to the member opposite that he had the ability—I stand to be corrected—at one time of making Ontario Hydro accountable to the people of Ontario but never did so.

Accountability means accountability to the taxpayers of this province—he referred to this, and he referred to the orders in council—and also accountability to the people of that community. But when we talk about private industry, we also want to make sure that when private industries leave they are accountable to the community from which they have taken the fruit off the tree. It is very important that we understand that the management that took place under the direction of Ontario Hydro made some bad decisions, and there are a lot of people who are being affected by those bad decisions. When we look at private industries to make sure they are accountable to the communities they devastate, I think it is important that we also talk, on the same hand, about accountability in our own crown corporations.

It was very interesting that as he generated comments and reflected his concerns about this bill, he focused a lot on the person. The bill itself, I think, is one bill that is

needed. I think the government ought to be a part of the decision and process that will lead to the future, dealing with energy. From my own personal viewpoint in looking at this bill, I think it is a very positive step in making sure that the accountability to the taxpayers of the province, and also the accountability to the communities that Ontario Hydro plays a role in, will be there under this piece of legislation.

Mr McGuinty: I want to take the opportunity to thank the member for Renfrew North for making the kind of contribution that only he is capable of making. He has lent a great deal of insight to this debate. I knew we were in for a special treat, judging by the number of books he put forward today. I think perhaps we can make arrangements to get him a bigger desk.

The historical perspective is something we are often lacking, I find, in debating issues in this House, and the member has lent insight into that aspect; that is particularly important in dealing with Ontario Hydro, a very important institution in the development of this province. I know I speak for the government members as well, in saying that we certainly, if nothing else, learned a great deal from the member. They may not agree 100% with everything he said, but I want to express my appreciation.

Mr Sutherland: I, too, want to compliment the member for Renfrew North for a very entertaining afternoon; not only that, but for bringing forward a great deal of historical perspective on Ontario Hydro and certainly a good display of oratory.

I do not agree with everything he said.

I do want to bring out some issues regarding nuclear energy, because he referred to the comments the member for Victoria-Haliburton had made related to the issue of productivity. One of the reasons we are having these rate increases right now is that the nuclear power plants have not performed at the rate that was originally projected, and some of the money Ontario Hydro had borrowed to finance that. If it had produced at that level, then maybe we would not have as much of a debt problem and these significant increases. I guess that is an issue that has not been discussed that much. I do not hear too many of the public utilities commissions on that issue, certainly the ones in my riding that are complaining about the increases.

It does not seem to make a significant amount of the increase. When you look at Darlington at \$13.5 billion compared to \$2 billion, versus the figures the member mentioned on issues related to Elliot Lake and Kapuskasing, Elliot Lake and Kapuskasing seem to be very small in comparison. To me, that needs to be a focus of the issue in terms of where some of the productivity of that industry has been.

Mrs Sullivan: I particularly appreciated the remarks from the member for Renfrew North, who has been very involved in debates on Hydro in the Legislature over the years since he was first elected, about 16 years ago, and I would suggest to members who are new to the Hydro debates that they review the remarks, particularly those relating to the accountability of Ontario Hydro, which were in fact extremely pertinent.

The accountability that the member was discussing related to the accountability of Ontario Hydro to the government, to the Legislature and to its ratepayers. Indeed, what he was talking about was the separation of the government mandate in terms of the setting and directing of energy policy, and the mandate of Ontario Hydro in delivering electricity and areas surrounding the question of electricity delivery.

I think those remarks are extremely pertinent, that they are important to the debate, and I hope members will review them so that we do not have the kind of misunderstanding we heard from the member for Chatham-Kent on the question of accountability. It was clear from his response to the member's question that there was a clear misunderstanding of what Hydro accountability meant to the government and to the Legislature and to the ratepayers.

The Acting Speaker: The honourable member for Renfrew North has two minutes to reply.

Mr Conway: Just in summary, I repeat that I think it is both economically and socially the most unfair policy to pursue regional economic development strategies on the backs of electrical ratepayers. However laudable the objectives are in these communities, and I accept the importance of those objectives, it is unfair and inequitable to base those programs on hydro ratepayers; that is what the consolidated revenue fund is for.

The second point is, the history lesson is not delivered just out of fun or personal interest or some arcane diversion. The history lesson is delivered to tell you something about how these questions of accountability and relationship have been fought about over the years. I cite the example of the Farmers' government and the way it dealt with rural electrification. They rejected, in the face of enormous political pressure from their constituency, making the ratepayers pay for that added cost. They did that by provincial subsidy.

Finally, on the subject of accountability I make the point that I am very concerned that the bill does not deliver what it wants to deliver, that it empowers a man in a way I am very concerned about, because while I have some regard for the intelligence and the creativity of Mr Eliesen, I know something of his past record, and it causes me great concern as a parliamentarian who wants to assert some reasonable parliamentary control over Ontario Hydro. When I think of the chairman, Marc Eliesen, I can think only of what Sir Humphrey Appleby once wrote in his diary, Sir Humphrey of Yes, Minister fame. Sir Humphrey once observed: "In the great restaurant of government, civil servants are the cooks and the politicians are the waiters. We prepare all the dishes and they serve them up to the customers." Sir Humphrey, I think, spoke well of Marc Eliesen's view of us and the business in which we are engaged.

The House adjourned at 1803.

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CONTENTS

Wednesday 2 October 1991

Members' statements

Historical society display	2655
Mr Cleary	
Appointments to housing authorities	2655
Mr B. Murdoch	
Karen Morrison	2655
Mr Dadamo	
Shelter for women	2655
Ms Poole	
Affordable housing	2656
Mrs Witmer	
Faculty of social work	2556
Mr White	
Ontario Hydro legislation	2656
Mr McGuinty	
Minister of Community and Social Services	2656
Mr Carr	
Ontario Summer Games	2657
Mr Frankford	
Certificates of congratulation	2657
Mr H. O'Neil	
Extension of response time	2657
Mr Cooke	

Statements by the ministry

Government spending	2657
Mr Laughren	
Ontario public service salaries and benefits	2659
Mr Silipo	
Ontario Hydro legislation	2660
Mr Ferguson	

Responses

Government spending	2660
Mr Elston	
Mr Sterling	
Mr Stockwell	
Ontario Hydro legislation	2662
Mr Jordan	

Oral questions

Government spending	2662
Mr Elston	
Mr Laughren	
Mr Phillips	
Mr Sterling	
Ontario public services salaries and benefits	2664
Mr Stockwell	
Mr Silipo	
Assistance to de Havilland	2665
Mr Kwinter	
Mr Rae	

Nursing homes	2666
Mr J. Wilson	
Mr Laughren	
Assistance to farmers	2667
Mr Mills	
Mr Buchanan	
Fuel spill	2667
Mr McClelland	
Mrs Grier	
Taxation	2668
Mr Carr	
Mr Laughren	
Non-profit housing	2669
Mr Fletcher	
Ms Gigantes	
Mental health services	2669
Mr H. O'Neil	
Ms Lankin	
Education program evaluation	2670
Mrs Cunningham	
Mrs Boyd	
Attendance of Premier	2671
Mr Mahoney	
Certificates of congratulation	2671
Mr F. Wilson	

Petitions

Oath of allegiance	2671
Mr Kwinter	
Pornography	2672
Mr Carr	
Oath of allegiance	2672
Mr J. Wilson	
Nursing homes	2672
Mrs Y. O'Neill	
Mrs Sullivan	

Second readings

Power Corporation Amendment Act, 1991,	
Bill 118	2672
Mr Drainville	2672
Mr McGuinty	2675
Mr Conway	2675
Mr Hope	2690
Mrs Sullivan	2690
Adjourned	2691

Lists of members

Members and their responsibilities
Committees of the Legislative Assembly

TABLE DES MATIÈRES

Le mercredi 2 octobre 1991

Deuxième lecture

Listes des députés

Loi de 1991 modifiant la Loi sur la Société de l'électricité,	
projet de loi 118	
Débat ajourné	2691

Les députés et leurs responsabilités
Comités de l'Assemblée législative



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First Session, 35th Parliament

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Thursday 3 October 1991

Assemblée législative de l'Ontario

Première session, 35^e législature

Journal des débats (Hansard)

Le jeudi 3 octobre 1991



Speaker
Honourable David Warner

Clerk
Claude L. DesRosiers

Président
L'honorable David Warner

Greffier
Claude L. DesRosiers



Table of Contents

Table of Contents for proceedings reported in this issue appears at the back, together with an alphabetical list of members of the Legislative Assembly of Ontario.

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Table des matières

La table des matières des séances rapportées dans ce numéro se trouve à l'arrière de ce fascicule, ainsi qu'une liste alphabétique de députés de l'Assemblée législative de l'Ontario.

Il existe un index cumulatif des numéros précédents. Les renseignements qu'il contient sont à votre disposition par téléphone auprès des employés de l'index du Journal des débats au (416) 325-7400.

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LEGISLATIVE ASSEMBLY OF ONTARIO

Thursday 3 October 1991

The House met at 1001.

Prayers.

ORDERS OF THE DAY

PRIVATE MEMBERS' PUBLIC BUSINESS

UNSOLICITED FACSIMILE TRANSMISSIONS ACT, 1991

Mr Cousens moved second reading of Bill 134, An Act respecting Unsolicited Facsimile Transmissions.

LOI DE 1991 SUR LES TRANSMISSIONS PAR TÉLÉCOPIE NON SOLLICITÉES

M. Cousens propose la deuxième lecture du projet de loi 134, Loi portant sur les transmissions par télécopie non sollicitées.

The Acting Speaker (Mr Villeneuve): The honourable member for Markham.

Mr Cousens: I would like to speak to this. It has had first reading in the House, and a chance now exists for us to debate a bill that, on a scale of 1 to 10, with all the things that are facing the Legislature—well, I would none the less like to see this be given consideration this morning.

The Acting Speaker: The member has 10 minutes and a two-minute—

Mr Cousens: Gosh, there are so many rules around here it is going to be hard to live within them. Here I am trying to live within the rules of the Legislature, yet I want to have new rules and regulations for the world of finance and the world of business. I look forward to the day when we can deal with many other issues and when people look at this Legislature and say, "What are they dealing with that for?"

It just happens to be one of those issues that needs to be cleaned up, and in the hour we have this morning to talk about unsolicited faxes, we private members have a chance to do something. No one is going to twist our arms, other than our own consciences and maybe the outstanding arguments I present to all of us that we allow this bill to pass so Ontario can join those other jurisdictions that have said, "Let's do something about junk fax mail." That is where I am coming from on this one.

I have a little background information to give. The fact of the matter is, a few years ago we never even heard of a fax machine. I do not know whether we would put our pages to the test: "Have you ever received a fax? Have you ever sent a fax?" Maybe they have. Maybe they are sending their essays to school by fax and the teachers are now doing it the new, technological way.

For a number of years in Europe they have had facsimile machines where people have been able to transmit documents of all kinds to one another, escaping the entanglement of the post office or couriers, doing it far more quickly by virtue of using the communication lines of Bell, CN-CP or whatever to obtain that document more quickly.

Fax machines now are almost universal. In the world of business, if you do not have one, there is a small store not far away where you can send or receive a facsimile. We are seeing now in offices all over this country and this province that people have fax machines. People now can have one for their homes where, for special situations, they too can have their own machine.

Our MPP offices, just in the last little while, have been provided with fax machines, and on most of our business cards, as MPPs now, we will have a number for facsimile. The fact of the matter is, you can get them for cars, so there are portable faxes.

I realize that technology allows anything we have today to be extended further and further out. It is good that automation is expanding, and it seems to be helping business. Business then is able to do a great deal by using these machines. It becomes a legal document, so many real estate transactions now can be handled by a fax. Bankers, lawyers, many people are using these machines to expedite business. Let's face it: Things are getting faster and faster. We just have to have those tools available. We have to understand that it is a requirement just to run business today. The fact that we have it, the fact that we are using it is in itself something that says, "Well, we just have to move with the times."

As technology expands, the old situations we had before continue to exist. When members receive their mail every day, how often do they also receive what they do not want to receive, their bills, their tax bills? Some people think of junk mail as being the letter from their MPP, but I am not including that when I talk about junk mail, especially when it comes from me to my constituents. But people really want to get rid of the junk. They say, "Hey, it's just adding to the accumulation of garbage; it's something I don't want."

Yet I do not know how we deal with that. First of all, it is a federal matter and the post office does not come under our jurisdiction. But one thing that does come under our jurisdiction is the kind of thing that happens with junk faxes.

An organization known as the Canadian Federation of Independent Business did a survey not too long ago. The CFIB asked whether there should be regulations protecting the public from advertising by businesses via fax machines; in other words, regulations that would prohibit people from just using the fax for solicitations of a commercial nature. The results of this survey were that 81% of the respondents believed there should be regulations restricting the advertising by businesses using fax machines; 10% said no, there should not be regulations of any kind; 5% were undecided, and another 4% did not have any interest in the issue. The fact of the matter is, 81% of the respondents to this survey believed there should be regulations protecting the public from advertising by businesses using fax machines.

We have seen a number of jurisdictions take this seriously, and two states in the United States that I am aware of, Connecticut and Maryland, have both passed laws that will restrict the use of fax machines for the transmission of commercial solicitations.

I believe that when you have your own little machine in your own office these days you have made an investment, first of all, in the machine to have it there ready for your commercial activity. If the machine is tied up in receiving an extended advertisement or material that you did not want and that is not part of your normal business life, then you cannot use that machine. You cannot just turn it off. Once someone ties up your machine in sending out a large, detailed brief of some kind that you do not want, what can you do about it? You shut off the machine and then you shut off the communication once it is over.

Mr Curling: You take the phone off the hook.

Mr Cousens: You take the phone off the hook, as my good friend describes, and that is not why you have your business there.

The other thing is that these machines require an expensive coated paper; that paper is expensive for a business to have. When you tie up a fax machine, you are not only using their line, you are using their paper as well.

What we are trying to suggest is not a big move for the Ontario Legislature, when we can deal with the Constitution, the economy, the issues that deal with the environment and every portfolio. I am almost embarrassed to say this is the issue of the day. But it will give a message to business that says we, as the Ontario Legislature, want to see business streamlined. If we can help in some way and remove the impediments that keep people from having the success they want and deserve, that they are really trying for, then through this kind of bill we are at least putting a message out there that indicates that the Ontario Legislature is not close-minded to the needs of business. In that spirit I have brought forward this bill.

1010

It is too bad we did not debate it yesterday. Yesterday was Zero Garbage Day. A number of people will come into their offices in the morning, or even during the day, and receive 20 or 30 faxes that are unsolicited. It is just the kind of garbage they do not need.

If the House is able to consider this a worthy bill, in this one hour's time we will have been able at least to begin on this road of recovery that helps business and say we in the Legislature are working with them. That is part of the message I want to convey through this bill, that we are not isolated from the real world, where things are not all that easy, but from this perspective we are at least making the time and the concern known that we are prepared to do something about it.

Bill 134 is a very simple bill, and what it means is that if someone does use the fax machine for unsolicited commercial solicitation, he could suffer a fine of \$1,000. This will not cut into the kind of solicitation that people make of us as politicians, it will not cut into some of the normal ways in which business is communicated, but it will start getting rid of what we call junk fax.

The Acting Speaker: I thank the honourable member for his opening remarks. He will have two minutes to summarize. Every recognized party in the Legislature now has 15 minutes to debate Bill 134, as presented by the honourable member for Markham.

Mr Kormos: There was so much enthusiasm about this legislation that I have to share the 15 minutes with at least two other speakers, and I am relying on the member for Kitchener-Wilmot—why is it that we cannot call people by their real names? Their friends, their families, their spouses call them by their real names. In any event, I am sure Mr Cooper—notwithstanding that Hansard may well correct that—will let me know when I have used up what he deems to be my portion of the time. Of course, depending upon what I say, it may well motivate him to let me speak longer or shorter.

I am especially pleased to be able to speak to the bill of the member for Markham this morning, because I am going to be in Markham this evening, and I know the member for Markham is going to make every effort to be there too. The Zemplin Slovak Ensemble is celebrating its 30th anniversary tonight, Thursday, at the Markham Theatre, 171 Town Centre Boulevard in Markham. That is 8 pm. The Gymnik Orchestra from Slovakia is visiting Ontario and touring and performing, along with the Toronto Slovak Dancers and the Vychodna Slovak Dancers. I know Mr Cousens has been entertained by the Toronto Slovak Dancers and the Vychodna Slovak Dancers because he and I have been at some of the same concerts where these people have performed.

Mr Cousens: Is that a fax?

Mr Kormos: It is a fact, not a fax. That is an event that I am not going to miss in Markham tonight and, I suspect, any number of people who are watching this morning would not miss either.

I was a little bit concerned about the member for Markham's suggestion that pages may not be familiar with faxes. To the contrary, Robert Schmidt, the page from Brant-Haldimand, is very familiar with fax machinery and has used fax technology to communicate not just here in the province but as far away as Europe.

So just by way of correction, and I know the member for Markham takes this in the tone it is intended, I tell him Robert Schmidt from Brant-Haldimand objects mildly and modestly to his suggestion that pages are not familiar with faxes. On the contrary, I suspect these young people are far more familiar with that type of technology than many of the more mature, perhaps older persons here in the Legislature.

I was heartened by the member for Markham's comment that this legislation—and it is clear from reading it—is not designed to inhibit uses of fax technology where it is appropriate. Far be it from me to support legislation that would inhibit people from faxing their government members or opposition members about issues that are important and dear to them.

Surely this type of legislation would not inhibit people from faxing Ontario Hydro about the fact that the chairman of Ontario Hydro is making \$400,000 a year. That is surely something that should get people concerned

and irate enough that they would not only fax but fax frequently, and fax with some vehemence, about their objection to that sort of obscenity at a point in time when there are a whole lot of people not working in this province and a whole lot of people making a whole lot less. I know people who would do it for half the price. I suspect it is not the intention of the member for Markham, and it certainly is not mine—because I am supporting the legislation—to suggest that it should, can or is in any way intended to inhibit or prohibit people from faxing their concern about exorbitant salaries at a time of overall restraint.

I am convinced it is not intended to inhibit people from faxing their concern to the government, to the Premier's office and perhaps to the office of the Minister of Financial Institutions about the pending changes, as we were promised, in the auto insurance legislation, and about the fact that people out there in Ontario are really concerned that we are not going to keep our promise to restore the right of innocent accident victims to sue. Those people should be encouraged to fax, and fax frequently and fax articulately.

I know that a young fellow from Welland, Jeff Tremblay, did not fax me a letter but wrote me one and sent it through the mail from Roach Avenue in Welland. Jeff Tremblay is a sea cadet in 141 Bellerophon unit there. He writes as a very socially conscious young person, a very community-minded young person who is obviously keeping tabs on what is happening in this Legislature. Members should not think for a moment that people are not watching. They are watching and are concerned and are prepared to be critical, if need be.

Jeff Tremblay, from Roach Avenue in Welland, writes with concern about what has happened with the government's position on automobile insurance legislation, and I know that he is going to be concerned enough, if he has access to a fax machine, to fax those same concerns to the Premier and to as many people as he can reach through that same technology.

As I wrap up, I merely remind people once again that it is at 8 o'clock in Markham, at the Markham Theatre, 171 Town Centre Boulevard. Also, at 7 o'clock on Rogers Community 10, there will be a live program dealing with the issue of auto insurance. There will be Helen Anderson from the Consumers' Association of Canada, consumer advocate; Barb Baptiste from the Rehabilitation Management group here in Toronto, who performed an outstanding role of leadership in the right of innocent accident victims; John McLeish from a law firm; Judy Maddocks, regional manager of Royal Insurance, and myself. We will be participating at 7 o'clock this evening on cable 10, a live program which I believe will also entail a phone-in component, so people are encouraged to watch that and to participate in the debate.

I did mention that I support the legislation. I want to thank Mr Cousens for his interest in the issue, motivated as he was to bring this legislation forward, and I want to thank the NDP caucus for letting me rise and speak on this issue. I hope I have not offended anybody, but we will let the chips fall where they may.

Mr Curling: I want to thank the honourable member for Markham for introducing this. I cannot say I am ex-

cited about the bill he has introduced, but I can understand why he is doing it. As a matter of fact, I think his intentions are quite honourable, and I know that most of the things he has done are honourable.

The reason I cannot get excited about it is that there are so many pressing things happening right now in our society, especially in the jurisdiction of human rights, that on a morning like this it would be wonderful to be in this House and have a private member's bill that would talk about some of the things, such as human rights, that are so neglected and which we cannot get the government to do. Quite naturally, some of the private members may bring that forward. I am not looking forward to the government bringing it forward, because as I said, from the government point of view, it is lax in its activities. I would have hoped that the Conservative member who has brought this forward would have brought forward some human rights issues.

1020

The bill is about, are we going to respect the unsolicited facsimile transmissions that come through on the machines here? While I was hearing both members speak, our great member the defender of the auto insurance act and the member for Markham, I was a bit confused that maybe one is the Conservative and the other is the socialist.

To say that we will stop the flow of faxes coming through, to say to someone who would like to send you something on a fax machine, "It's going to waste paper because it was unsolicited," I thought this was a free enterprise system and that people would like to send you something and solicit your concern. In other words, as my honourable friend knows, it is like the telephone. I could equate the fax machine with a telephone. If you do not want it you can unlist your fax machine number. The fax machine is just like the telephone. You could take the fax machine from your constituency office, take it home, plug it into your telephone line and ask your friends to fax you something.

How we are going to stop that will be quite difficult. There is one other thing about it too. How would we monitor this? How would we police this bill and charge \$1,000 for those who have violated the act? I do not know if we have any precedent on this. He has shown some precedents in the United States that have been instituted where they have restricted fax. Perhaps we should have done that for the junk mail that comes to our home.

I am not talking about junk mail, as the member has categorized it, as mail coming from a member of Parliament; not at all. I think that with the things I send out, it is a loss if people have thrown them into the garbage. It is good information. It is information about the government's mismanagement of funds. It is information about where we are going on human rights. It is information on some of the wonderful positions that are put forward by my colleagues here. I do not consider it junk mail, but we know the amount of junk mail that arrives at our doorsteps.

I cannot see how we would ever police this in our homes or in our businesses. A willing buyer and a willing seller: What would we do, for instance, if one phoned you and asked, "Are you selling your home?" or, "Would you

like to buy a certain product?" I thought the Conservative government would be excited about that, because that is the kind of market we want, but I am hearing the honourable member saying we should cut that off. Therefore, I am very confused. I would have expected that this kind of information and this type of bill would come from over on that side of the fence.

Even if we were able to put this through, what law could we put in? Does it fall under federal jurisdiction or provincial jurisdiction? From my understanding, it comes under federal jurisdiction under telecommunications, so therefore we should put that forward. Members will recall that, I think, last year this bill was introduced for first reading and it died on the table. Here we are putting forward the same bill and he hopes for it to be successful.

Mr Cousens: It wasn't debated last time.

Mr Curling: It did not reach as far as being debated, as a matter of fact, as the honourable member reminded me. We have a chance to debate it this time, a waste of time, I feel, honestly. There are such other pressing needs, pressing issues, that we could deal with.

The fax machine is a very good technological advancement today. The members actually saw the display by the post office. Our mail is coming late and there are the strikes. The fax machine will never strike unless it breaks down mechanically. It is a pity we cannot send our cheques through the fax; I think they would come much quicker.

I feel that to have this restriction on the fax machine would be extremely bad for business itself. As I said, I tried to get excited about this. I ask the honourable member, if he gets a chance to do another private member's bill, to do something about human rights. He is quite an advocate for having human rights issues advanced. We could work together on all sides of the fence here, the Liberals and also the Conservatives—maybe we will be able to push aside this rhetoric that also comes from the government from time to time—to do something and use the time, instead of trying to restrict unsolicited fax machine messages, to do human rights and other issues.

We also hope that as the members look at this bill itself, and I am sure they have almost another eight minutes in which to speak on this matter, we could hear from them as to some of the issues that would be helpful. We could send very good information around instead of restricting it.

I will not speak very long on this bill. I just want to put it on the record that I—of course it is a private member's bill and all members may choose not to speak because they do not find other things to say on this—that I hope the honourable member himself will find it within himself to say, "Having heard these discussions, there are other, more pressing issues to do than trying to restrict the fax machine."

Mr McLean: I am pleased today to stand in my place and support Bill 134, An Act respecting Unsolicited Facsimile Transmissions. It is interesting to note that the Information and Privacy Commissioner of Ontario has indicated the problem we are having with faxes, the large number of unsolicited advertisements that are coming into business offices. Sidney Linden, Ontario's Information and

Privacy Commissioner, said he believes Ontario is the first jurisdiction to issue rulings with regard to the number of faxes that are coming into offices.

Junk fax is a reality and junk fax is something like junk mail: It is only junk if the message is not appropriate for the person who is receiving it. When we look at some of the results of some of the questionnaires that have been sent out, it said, "Should there be regulations protecting the public from advertising businesses by fax machines?" Some 83% of the people who were asked that question indicated there should be, so there is an awareness out there. But we do not want to get the notion that they should not be faxing ministries or sending faxes to ministers on anything that is pertinent to what they believe to be important to them. I think that is why the fax machines are there. We all use them.

The essence of this bill is to try to slow down on junk faxes for advertising. There are two states, Connecticut and Maryland, that have passed legislation which prohibits people from sending unsolicited fax messages without prior approval. There are several statistics now where we see that in North America there are going to be some 11 million fax machines by 1993. It is becoming a major issue. When people and businesses want to advertise, they will want to now use the fax machine for advertising.

The other aspect of the whole issue is that looking at the environment, the amount of waste paper that comes out of fax machines can be astronomical. It certainly can affect the amount of garbage we are putting in and not recycling. That is another major issue to it.

Ontario has been urged to solve the junk fax problem. That is what I started out with, talking about the privacy commissioner who has indicated there is a problem here. Junk fax is a reality and I commend the member this morning for bringing this bill through to make the people out there aware of what is happening with the large number and increase in fax machines that are being put in offices and homes around this province. We are making it available for advertising people to be able to use the fax machine for advertising. That is really not, in my estimation, what faxes were meant for. They were meant for businesses to carry on their day-to-day business and meant for people such as us as legislators to deal with the concerns of our constituents in a more appropriate and faster manner.

I want to make it very clear that Bill 134 has its place. It is great that we are debating it here today and bringing it before this Legislature. I am sure honourable members here will support this bill because it is a step in the right direction and it is a good start.

The purpose of the bill is to prohibit the sending of unsolicited transmissions for the purpose of commercial solicitation. The prohibition would not apply to transmissions made in the course of ongoing negotiations or a pre-existing business relationship with the person receiving the transmission. In essence, junk fax is a reality. It is not an epidemic yet, but this bill will bring it to the attention of the people. We do hope it will not become an epidemic.

1030

Mr Frankford: I personally enjoy being part of Marshall McLuhan's electronic village. I really rather like receiving faxes, either at 281-2360, which is my constituency office, or at 325-7128, which I happen to share with a number of my colleagues, including the member for Welland-Thorold. He might well be reading my faxes or I might be reading his. I think this is all part of the process of open government which our party is committed to.

I think faxing saves me being there. I would really encourage faxing. I am rather surprised—and I echo the remarks of my colleague the member for Scarborough North—that the supposed party of business takes this attitude. Advertising is an important part of a business economy and the member's bill seems to discriminate very much against an important part of small business.

The member quotes some study saying that 80% of people oppose it. I did not gather who these people are who oppose it, whether they are people with faxes, whether they are businesses, whether they are small businesses, whether they are members of Parliament, whether they are the executive of the Conservative Party. Perhaps he will enlighten us later on.

Our party certainly stands for openness and we certainly, as has been stated many times, wish to help small business. I think the member who brought in this bill may wish to reconsider the impact his bill would have on small business. Furthermore, it would seem that this bill could only be policed within our province. I would assume we have no way of policing faxes that come in across the border.

I wonder whether the impact of the member's bill would be to drive some of these hardworking small businessmen over to paying phone charges to the phone company in Buffalo. I would appreciate the member's response on that. We are certainly trying to discourage cross-border leakage of funds. I think the member's bill stands a real risk of doing that.

The other issue that has been raised is the environmental question of the paper. I think the member has not given us the full story about what the technology can provide. I did not hear any mention of the fact that you can have fax boards. One can get paperless transmissions to one's computer. I would suggest this is something which is likely to grow. It is very convenient to type your letter on your computer and fax it straight off to someone else's fax. I think the member should realize that technology keeps on moving faster and that this problem of excess use of paper is unlikely to happen.

Neither of my faxes, 281-2360 or 325-7128, are fax boards at this present time, but I am sure it will be a simple matter to do that. We welcome the member's interest in efficient use of communications, but I think the problems he raised are solvable by technology, not by heavy-handed legislation.

Mr Lessard: What about plain paper fax?

Mr Frankford: Plain paper fax as well, but that is an intermediate step. I am glad my colleague reminded me of that. Anyway I would hope this problem will solve itself by technology, that we will not discriminate against small

businesses, and I would ask the member to reconsider the wisdom of this bill he is proposing.

Mr Harnick: It is a pleasure to be able to participate in this debate on a matter that I might say has been studied very carefully by my colleague the member for Markham. He is a person who is concerned about the ability of people to protect themselves and what is private to them. Certainly that is the intention of this act. The intention is that people should have a choice as to whether their privacy should be invaded by people who are taking a technological device and using it for a purpose which it was not intended to be used for.

The fax machine was devised and developed for instantaneous communication between individuals. It was devised so that people could transact business in an efficient and economical manner, so that documents could be exchanged in an efficient and quick manner, and that would be an economical device to business people.

What has happened is that these devices can be programmed so that numbers can be fed into them, and commercial entrepreneurs have found that this machine can transmit messages that will help them sell their products, that will help them put out messages to people who do not want them. It defeats the purpose of the private ability to carry on business. A fax machine was not intended as a billboard, it was not intended as a magazine advertisement, it was intended to permit people to communicate privately.

It is interesting to note that the Information and Privacy Commissioner takes that position when talking about the use of fax machines, even by the government of Ontario. They have indicated that people should not leave fax machines in public places so that the information coming across them becomes available to anybody who might be walking by. They have also indicated that the destination fax number should always be reconfirmed prior to transmission, because unlike erroneously addressed mail which may be returned unopened, documents faxed to the wrong number can be read by several people.

1040

The sender should confirm that the fax was transmitted correctly by checking the fax activity confirmation report. The receiver should check the number of pages received against the transmitted fax cover sheet. All of these recommendations were provided by Ann Cavoukian, the director of compliance with Ontario's Information and Privacy Commissioner. The reason she has set out these guidelines for the use of fax machines by the Ontario government is because she recognizes that the use of a fax machine is a private matter. It is the same as a telephone call. It is the same as personal mail. It is almost the same as having a meeting in your office with another individual, but doing it by long distance or at some distance.

These documents and these communications should be private. That is why people have purchased fax machines. They have not purchased fax machines to be inundated by entrepreneurs trying to sell their products, by groups trying to convey a message. It is a matter of personal privacy we are dealing with.

That is why I commend the member for Markham, whose act is straightforward. It is very explicit. "No person shall make an unsolicited transmission to a facsimile device for the purpose of encouraging a person to purchase or lease any personal property, real property or services." It does not affect the private business relations between a constituent and the government, a constituent and his member of the Legislature, but it does protect people from being inundated with requests to buy a product, to obtain a service or to purchase any kind of property, be it real or personal.

The act is very explicit, and in fact there is an exemption in the act that it is important to understand. The exemption states, "Subsection (1)"—which is the subsection I just read—"does not apply to a person making a transmission in the course of ongoing negotiations or a pre-existing business relationship with the person receiving the transmission."

The act is a sensitive act, because it reflects sensitivity towards the private nature of these machines. That is precisely what these machines were intended for and that is precisely why a couple of states have in fact enacted comparable legislation.

As my colleague the member for Simcoe East indicated, there has been a poll done. The poll states, in a question that was asked, "Should there be regulations protecting the public from advertising by businesses via fax machines?" Eighty-one per cent of the people responding said yes.

I think this act is well thought out. The member for Markham is responding certainly to the public by presenting this act, and I would urge members here today to vote in favour of the act, An Act respecting Unsolicited Facsimile Transmissions. I would urge them to refer this to a committee so that we can hear representations from the public, which I know will be in favour of maintaining privacy and will be in support of this act. I would urge members, particularly on the government side, to accept the act as set out by the member for Markham and pass it. I think it would be a credit to everyone in this Legislature.

Mr Wessinger: I would like to speak in support of this bill in principle, probably because of my own personal biases in the matter, having practised law, having had a fax machine, having received these transmissions on my fax machine and having had it tied up when I wanted to use it for my purposes rather than somebody else's purposes. Also, I support it in principle because the fact is that it does impose a cost, although minimal, on the recipient. It is not like something that comes through the mail which does not impose such a great cost. Therefore in principle I do support it.

However, I have some questions and concerns about the workability of this legislation. One aspect I have not looked into carefully, but in view of the fact that it is related to telephone communications I have some concern that it might not be authorized constitutionally. It might be something that would require legislation in the federal rather than the provincial area, but hopefully that could be looked into. Certainly I would like to see it looked into in principle. Last, on the whole question of the amount of paper we are inundated with in our society, anything that

would cut down that amount of paper I certainly would be in support of.

Mr White: I would like to say a special thanks to the member for Markham. I think this is an excellent bill. It brings up an important issue.

Interjections.

Mr White: Come, come now. This is private members' hour and we have the opportunity to speak to other private members; that is the whole point.

I think this bill speaks to the whole issue of privacy. It speaks to the way in which modern technology is continually intruding into our personal lives on an ever-increasing level. This is an issue that cuts across party lines. Even the member from the third party is talking about intrusion by business into other people's lives. We certainly see that constantly. We see the opportunities for people's sense of themselves continually encroached upon. Continually we find ourselves withdrawing into huddling spaces in our homes, and even home is no longer a haven in a heartless world but an area where still we have encroachments, these electronic ones.

To draw a barrier such as this law suggests is an excellent one. It allows us to be sure the tools we use are our tools, not something which can be used to inflict unnecessary junk mail, junk electronics upon us.

Along the lines that the member for Simcoe Centre mentioned there may be some problems with the law, but I think generally it was well drafted. I want to compliment the member for bringing this to our attention, and this debate.

1050

Mr Cousens: I thank all speakers who have participated in this debate and I appreciate the guidance all have given. I do not think this is the bill that is going to change the world. I look forward to human rights issues and other issues to be debated as well. This floor is used for many things, but the floor of this House needs to discuss more of the business problems that are being encountered today. As one who has a business background, I believe an imperative should be upon all of us to see what we can do to help to improve the environment for business to prosper and succeed. That is the intent behind this bill. It is more of a symbol of the fact that government is there not always to get in the way of business. I realize this bill has certain restrictions around it, but there are more people out there in business who want us to intervene in this kind of way.

The member for Simcoe Centre raises a point; it was raised by a few others. If there is a question of federal and provincial jurisdiction on this, then extra time will be taken and needed to assure that we are not intervening in a federal area of responsibility. I am sensitive to that. It could well have to be reviewed in a number of ways before it could become law, and I accept the fact that things do not happen overnight in dealing with government matters.

I thank the member for Welland-Thorold for his comments and for going to Markham tonight. I am going to be at the opening of the Markham fair. The Markham fair is on this evening and I look forward to being at that. At least we have two MPPs in town tonight doing the right thing.

Mr Kormos: Eight o'clock, Markham town hall.

Mr Cousens: Eight o'clock, Markham town hall for the other function. I am receiving his fax for the Slovak ensemble.

Also, I went and took a small poll of the pages, and most of them have sent transmissions by fax, so I had better realize it is really pervasive. Technology is with us.

I thank the members of the Legislature for their time on this debate. The spirit of it is right. If we can vote the right way, we can at least lead it another step further, and the people of Ontario will have a chance to see we are not all just thinking about things that pertain to other matters, but that there are things that are pertinent to the world of business.

We in the Legislature have a chance to give that kind of leadership. It is not always that we have an opportunity to do that, because of the financial matters that are facing us, the environmental matters; we know there is a large cross-section of things. When you compare this bill to those others, I know it does not match in importance to them. It does as a symbol to the business community.

I am getting the signal that time is almost up.

This is an opportunity for us to make a statement to the business community. It says we as members of the Legislature are concerned and interested in what business needs to be successful. I do not see this as a bill in which we are trying to take away the rights of people. I get the smile of my friend the member for Scarborough North. He would like me to believe for a moment that I would try to take rights away. When it comes to junk mail and junk faxes I believe there is a certain right we have to be protected from that kind of intrusion, as was so well articulated by the member for Willowdale.

This House is a rich place. We will become the richer to the whole business community when we are able to take an hour, as we have now, to consider the impact we can have to make it a better world for business to prosper and succeed. I thank the members for Welland-Thorold, Scarborough North, Simcoe East, Scarborough East, Willowdale, Simcoe Centre and Durham Centre for all their comments. I think they will be helpful and I know the business community will be awaiting the decision we will be making here in another hour when it is time to resolve this issue. I thank the Speaker and all members who have participated in this debate.

PUBLIC SECTOR FOOD SERVICES ACT, 1991
LOI DE 1991 SUR LES SERVICES D'ALIMENTATION
DU SECTEUR PUBLIC

Ms Haack moved second reading of Bill 133, An Act to require Public Sector Institutions to serve Food grown in Ontario.

M^{me} Haack propose la deuxième lecture du projet de loi 133, Loi exigeant des établissements du secteur public qu'ils servent des aliments cultivés en Ontario.

The Acting Speaker: The honourable member for St Catharines-Brock has 10 minutes for her opening remarks.

Ms Haack: It is a privilege to speak on this subject, the purchase of Ontario food products by the broader

Ontario public service. For the farmers of St Catharines-Brock and the entire Niagara Peninsula, this issue is very basic. The Ontario government should support the Ontario farmers by purchasing the food produced by those farmers.

It has become obvious to me and to other government members that something has to be done to help the Ontario grower. Other governments have approached this issue by means of a direct subsidy. Farmers really do not want a subsidy; they want the farm to produce the food their neighbours are going to purchase and enjoy. Farmers find it more than a little strange that the very government that should be helping them does not set the example by making such domestic purchases. It really upsets farmers from my area when they come to Toronto and see farm produce not being utilized even though locally produced food and wine are very much in evidence in the stores.

One farmer told me about coming to Toronto on business at this Legislature. While here, he made the point of finding out the origin of the foods being served here. To take only one example, he was disappointed and frustrated to find that German brandy is served. There is a brandy distillery in Niagara, Rieder Distillery of Grimsby in the Lincoln riding. By the way, that distillery makes the effort to buy the fruit of local growers to make its product. The growers of the Niagara Peninsula, all of them Ontario taxpayers, want to see this government live by this very same buy-Ontario principle.

In looking for guidelines relating to procurement within the public service, I found that very few do exist, and none relating to the origin of products bought. There is no central agency responsible for purchasing. The vast majority of items this government needs and uses are bought through individual tendering processes carried out within each ministry. There is no way to easily oversee purchases.

Farmers in my area say categorically that this government should provide an example by the kind of product it uses. Farmers in the Niagara Peninsula have impressed on the regional municipality of Niagara the idea that this municipal government should have a buy-Ontario policy. In turn, farmers throughout Ontario are anxious for this government to take the lead on this issue.

Local growers have pointed out that the US government is the largest purchaser of food products in the US. Those products are utilized by military personnel, school programs etc. The origin of these products is America. Why would we, as Ontarians, want to support a foreign jurisdiction with our tax dollars by buying American food? I do not understand that and, quite simply, the growers of St Catharines-Brock do not either.

Let me reiterate the theme of my private members' bill, which is that transfer agencies such as school boards, universities, hospitals and correctional facilities must make the effort to buy the food products grown and processed here in Ontario.

The bill does not say that these facilities are forced to buy Ontario field tomatoes in January. There are none. It does not even require them to buy the institutional-size container of tomatoes processed by an Ontario cannery, because there are none of those either. Members of this House may be surprised that the food processing industry

in Ontario has shrunk to such a degree that products like institutional-sized containers of anything are not prepared in Ontario.

This bill allows institutions the flexibility of continuing to purchase such products from foreign suppliers. What it does is to require these institutions to look at the Ontario market first to determine what kinds of products are available that meet their needs. For example, Canadian Canners of St Davids still cans fruit cocktail using local cling peaches. A hospital or a school board may be able to utilize the individual sizes canned in this facility.

Canada and Ontario are net food importers. I find this shocking. I grew up in the Niagara Peninsula where it is easy to indulge in the pleasures of tree-ripened fruit, something I personally enjoy and cherish. There is a great variety of fruit grown there, from strawberries to peaches and pears. Taste and quality are second to none. Recent commercials by the Ontario Ministry of Agriculture and Food bring this home. Local produce is of high quality and good taste, and those who purchase it help to keep the farmer farming. The Ministry of Agriculture and Food's slogan, "Buy the food that your neighbour grows," is most accurate. Support local farmers; buy local food products.

1100

I have been asked by members of the public if this bill would see an increase in the costs paid out by the institutions involved. No, the cost of food in Ontario is very competitive within the North American market. Let me expand on this point.

Over the last 10 years, the brokers who purchase food products from Ontario growers have used the threat of US imports to keep the price of fresh fruit and vegetables low. In the case of peaches, only about 4% may come from the United States, but local producers receive a similar price to that of the US producers even though input costs, as well as the seasonal nature of the product, dictate a slighter higher price.

I will not hide my own distaste for the free trade agreement and the problems it has caused. That agreement has brought great hardship to the farming community in the Niagara Peninsula. However, it is clear that for the immediate future the free trade agreement will remain in existence. That means that this kind of blackmail, with the brokers telling growers they must lower their prices to the US level or be shut out of the market, will continue.

I believe it is essential to support our own, to support the important aspect of Ontario life that farming is by making sure Ontario farmers have economic support. Buy the food that your neighbour grows.

What stands in the way of seeing this legislation implemented? There are several things. One is the fact that some suppliers have long-term contracts with those foreign facilities. The same situation exists within the grocery chains. There are very few independent stores left. Where they do exist, local fruit and vegetables usually predominate. The larger food chains have established contracts with brokers in California and Mexico to purchase the products produced there. Only through activism have local farmers been able to convince managers of these large chains to

display more Ontario-grown produce. That is a battle this bill does not fight.

I hope that as a result of this debate shoppers will look more carefully at the place of origin of products they consider purchasing. Remember that price is not the obstacle. Availability of the products, whether the store stocks Ontario produce, will likely be the obstacle. Ask for Ontario food products.

Another hurdle that Ontario food products must overcome is bias. I am not sure if all members of the House realize the wide variety of fruits grown in the Niagara Peninsula. I would guess they are unaware that a kiwi variety has been developed to withstand the rigours of a Canadian winter. I know this because my parents have purchased such vines from a local grower and they have enjoyed their harvest very much.

Do members know that the nectarines of the Niagara Peninsula are absolutely luscious? They may not be as large as those grown in California, but they taste far superior.

Similarly many in Ontario and Canada still have the idea that only French wines are good. The wine industry in Ontario has won for Canada the distinction of being the only country to have won 12 gold medals in a single category at a recent wine tasting. The Ontario wineries which produce ice wine have been richly rewarded by these medals. This liquid gold is now enjoyed worldwide, yet the biggest hurdle is at home. Would members believe that the ambassadorial usage of Ontario wines is almost nil?

I see my time has elapsed, so I will continue a little later.

Mr Cleary: With some reservations, I commend the member for St Catharines-Brock in her efforts to support Ontario agriculture. I might note that I was also pleased in 1988 to support the former member for St Catharines-Brock, Mike Dietsch, who initiated discussions on this very topic.

I believe customers should have the opportunity to enjoy quality Ontario food at reasonable prices and be encouraged to do so through effective marketing. This province is very fortunate to have some 200 different products produced on some 14 million acres of land, which generates some \$17 billion and creates some 583,000 jobs.

Despite the significance of agriculture in Ontario, it is evident that farmers across this province are in desperate economic conditions. For the past two weeks I have been participating in the emergency hearings before the standing committee on resources development over the crisis facing rural Ontario. With significantly decreasing prices and extensive crop damage, the income of many farmers has dropped by 30% to 60%, while input costs are ever increasing. I can speak from experience. While some of the farmers are selling their produce this year for the same price they got 17 years ago, some do not have any income at all because of severe drought damage.

Farmers are also concerned about cross-border shopping. Canadian shoppers continue to head to the United States for poultry, milk, cheese and novelty dairy products. These same-day Canadian travellers are shrinking the Canadian agriculture market by purchasing products in the United States, therefore causing serious problems to our agricultural community—and not only agriculture, but the

transporters, veterinarians, equipment dealers and feed suppliers.

This government, and especially the member for St Catharines-Brock, has only escalated the problem by increasing the taxes on fuel, one of the leading causes of cross-border shopping. While customs officials currently allow Canadians to import \$20 in dairy products with a special import permit, the Ontario Milk Marketing Board is seeking tighter restrictions.

Fruit and vegetable growers also face stiff competition worldwide. Canadian grocers sell products from the United States, Mexico, Peru, Portugal, Argentina, New Zealand, Israel, Chile, Australia, Morocco and France, most of the time at cheaper prices. Despite high demand, Ontario prices have to stay competitive with 33-cents-a-pound peaches from New Jersey which area farmers say are of very poor quality. The same goes for strawberries.

It should be noted that one of the major input costs for the horticulture industry is labour. The standard of living is extremely high in Ontario. The agricultural minimum wage is set at \$5.40. Subsequently Ontario's agriculture industry often faces strong competition with international labour standards. To cite one example, 56% of the cost of producing asparagus is labour. In Washington state, labour costs are one third of what they are in Ontario.

Just recently, the Ontario Fruit and Vegetable Growers Association informed me that certain countries clearly exploit labour either through the use of illegal aliens or ridiculously low wages. Moreover, the fruit and vegetable growers have indicated that the increased minimum wage, particularly for students, will increase overall costs of production. Subsequently more will undoubtedly be brought into Canada at cheaper prices.

1110

I can appreciate that some Ontarians may question the necessity of supporting Ontario farmers when they can buy from South America or some other country much cheaper. I encourage Ontarians to purchase from our province, not just to support the province's economy but also to relish the superior quality of Ontario products.

Supply-managed commodities are seeking the protection of article XI during the ongoing GATT negotiations, while exporters are attempting to deal with free trade and other international pressures.

Some farmers have indicated that the Canada-US free trade agreement, as well as the trilateral discussions with Mexico, cast additional uncertainty for Ontario agriculture, particularly in the fruit and vegetable industry and other commodities that have a climatic advantage in the south or that are labour intensive.

Obviously, farmers are facing significant pressures provincially, nationally and internationally. I believe there is a clear need to support the farmers of Ontario. To do this, politicians and consumers must come to grips with the importance of agriculture, just to ensure the minimal survival of our communities.

I might take this opportunity to commend the Ontario Food Terminal that services importers, distributors, retailers and exporters.

In any event, I applaud such efforts as the upcoming Agri-Food Week to be held October 6-12. This celebration enters its ninth year.

As well, I hope the agriculture in the classroom program will inform urban students and educators of the importance of agriculture. Just this Monday I was at the inaugural meeting at the Ontario agricultural meeting in Milton.

I also appreciate the Ontario Ministry of Agriculture and Food's recent campaign comparing locally grown produce with US-grown produce.

I believe these are effective and necessary vehicles to promote Ontario agriculture. General awareness campaigns, combined with current proposals brought forward by both the past member and the present member for St Catharines-Brock, are positive developments for this province's agriculture industry. I would like to merely caution that this type of proposal also has drawbacks. Indeed, Bill 133 will certainly hold many challenges in attempting to implement it while adhering to fair trade regulations, both nationally and internationally.

Mr McLean: Being a farmer, I am pleased to stand in my place today and speak on Bill 133, An Act to require Public Sector Institutions to serve Food grown in Ontario.

Some years ago we had institutions across this province that had farms attached to them, and food, vegetables, beef, pigs and dairy products were raised on these farms. I see some of the smaller institutions today are reinstituting that idea and I think it would be appropriate if this government took the issue and dealt further with it in order to have more homegrown food for people in our institutions.

The institution in Orillia also worked in conjunction with the hospital at that time. In Penetanguishene we had the mental health centre there, Oak Ridge, and there was also a farm there at one time which produced homegrown food for the residents who lived there. In Burwash it was much the same idea. I think that is something we should be looking at again.

Bill 133 indicates there are exemptions allowed with regard to fruit and vegetables that are not grown in Ontario, but I think if one took the time to go to the Ontario Food Terminal here in Toronto and observed the amount of food that is coming into that terminal from out of province, it would probably make one stop and think. The number of transports and tractor-trailers that come in there from all over the United States is amazing.

To say that we want the institutions to supply and are going to penalize them if they do not supply food totally produced in Ontario, that an institution would have its funding cut or "could have its funding eliminated or reduced if it was found that a facility on its premises was providing non-Ontario food or wine," is a pretty major statement to make when dealing with the people of this province and the food terminal, especially here in Toronto, where the food comes in on a daily basis.

I applaud the member for bringing this bill forward to make the people in Ontario aware that we should be buying food produced in Ontario. I have reservations many times when I look at some of the cancer statistics that we see and when we look at some of the major heavy-growing

areas of vegetables and see that fertilizer is applied at the rate of 500 to 600 pounds to the acre, which gives me some concern. Maybe we are doing it to ourselves, so to speak, with regard to the amount of fertilizer we are using to grow our food and vegetables.

I guess when we look at the extra taxes that are being put on farmers, such as the gasoline tax, that is really one area where this government could look at helping the farmers to produce food at a more reasonable cost. When we look at statistics today and see the number of farmers who are losing their farms, who are going out of business because of what they are getting for their product, that is where the problem lies.

I would like to see the Ministry of Agriculture and Food somehow come up with some structure such as we have in the dairy business. The Ontario Milk Marketing Board saved the dairy industry. I was in the dairy business before that marketing board came in, and I know what it was like to accept a 60-40 payout, a low test. The marketing board saved that industry. I said some time ago that the only way farmers in beef and pork are ever going to get paid for their product is to be involved in some form of a marketing system whereby your input costs are attached to the price that you get for the goods you are producing.

As I heard the Ontario Federation of Agriculture say yesterday, "If the auto market was in trouble, if they were severely losing jobs in the auto industry, governments would be there to help." We are losing farmer after farmer in the agricultural industry, and who is there giving them a hand? It is not as severe as if it was in the auto industry.

When we look at this bill, while I applaud the member for bringing it forward, there are many other aspects that are involved in the agricultural area whereby we could help the farmers. I only mentioned one or two, such as the gas tax. The farm tax rebate should not be on the land at all. Farmers pay their taxes and then they have to come along and apply for a rebate. It is handled totally wrong, and it would be nice if the government would take the initiative to bring it in whereby it would be done once and for all instead of just negotiating year after year.

I want to thank the member for this resolution. I will be supporting it and I hope it will be a further initiative we can deal with in the agricultural industry.

1120

Mr Hayes: I rise in support of the broad intent of this bill. This government does and will continue to support Ontario farmers through its policies and actions. My colleague the member for St Catharines-Brock, in her remarks and in Bill 133, has underlined some of the basic concerns facing our farm families in our rural communities.

As my colleague has stated and as we all well know, farmers do not like subsidies. The minister's announcement of a special assistance package of \$35.5 million is needed and it will help many farmers throughout Ontario, including the hard-pressed fruit and vegetable industries, such as those in Niagara and in Essex-Kent.

The farm leaders in this province were pleased by the government's initiative. A lot more has to be done. I would trust that our federal government fulfils its commitment

also to assist the farmers in Ontario and Canadian farmers in this period of serious financial difficulty.

My colleague is also correct about the subsidies, but emergency assistance packages are geared only for the short term. The real solution must be found in a fair marketplace for all food products in Ontario.

I fully share my colleague's dismay that Ontario is a net importer of foods. I know all too well the impact of the Canada-US free trade agreement on our food processing sector and on the ability of our fruit and vegetables to compete successfully and fairly in our own markets. We must and should do more to assist our producers in our own markets. We must make our consumers, retailers and institutions, private and public, more aware of the quality, the freshness, the quantity and the competitiveness of our own fresh foods and processed foods.

My colleague the member for St Catharines-Brock has stated that it is not our intent to force or coerce local institutions to buy Ontario products. She has recognized the climatic and legal limits and such limits, but she has also stressed the need to ensure that our consumers, farmers and processors, that the customers are made aware of the bounty of foods that is almost on their doorsteps.

The Ministry of Agriculture and Food has attempted successfully to bring these facts home to Ontario farmers, retailers, food service companies and institutional buyers. In 1991-92, the Ministry of Agriculture and Food will spend close to \$5 million on domestic advertising and promoting services through Ontario to support the domestic markets for Ontario growers and processed foods and beverages. I am sure many of the members have seen these new ads linking our farmers, our farm land and our domestic markets. Moreover, the Foodland Ontario marketing campaign is aimed, by our partnerships with the media, the food retailing sector and our food service sector and joint market research, to help our producers and processors meet the demands of the marketplace.

The Minister of Agriculture and Food, the member for Hastings-Peterborough, has taken a personal interest in the opportunities for farmers and our processors in our own markets. The minister has met with numerous groups, farm processing and retailing, to ensure that a fairer, more prosperous market is available to our industry.

The issue of cross-border shopping, one that affects the Niagara region where my colleague is from, as well as Kent, Essex, Lambton, Sarnia and other areas of Ontario, is partially a symptom of the consumers' focus on perceived price differences rather than the value, quality, diversity and long-term competitive strength of their neighbours.

I think we must take up the challenge of my colleague's proposal. We must encourage, educate and reinforce through our own actions the necessity of supporting our own farmers and processors to ensure a safe, secure, affordable food supply for this generation and generations to follow. The Speaker himself has taken steps in this Legislature which I must compliment him for by promoting the wine industries.

Let us look at our own institution, this Legislature. Can we not encourage the presentation and consumption of Ontario

foods in our own dining room and cafeterias? I feel that we should sponsor special events to correspond with a variety of crops and harvesting seasons right here in this Legislature. Such an effort would not only help build awareness with all members of this House and their staffs, but provide us with nutrition and variety.

I recognize that such an effort can only be a small step in the long-term initiative to better secure our markets for our own industry through education, awareness and the commitment to compete fairly and effectively, a commitment our industry has made and will continue to make.

I support the broad intent of this bill, but we must build new linkages and partnerships with all segments of the food industry, private or public. This government has undertaken that role and will continue, as my colleague has recommended, to work with the industries and institutions and our customers to purchase and consume the food that our farmers grow in Ontario.

I know there are other members who want to join in this debate and I do not want to prolong things, but I think it is very important that some of the points I mentioned here about our own institutions—we have one right here in our riding. A woman came to me and she said she went to that cafeteria and wanted a bacon, lettuce and tomato sandwich. She said the lettuce was from Quebec and the tomatoes were from California. This is right in the middle of our own harvesting season, and these are the things I think we really have to look at. If we are serious about promoting Ontario, promoting the good-quality food that we have here, we have to do more than just speak about it. I think we have to take some action.

I hope the members from the other side will support this bill and work with us with their ideas so that we can continue to promote Ontario, a small way of helping the farmers and the farm families, to protect the family farms in Ontario.

Mr Cordiano: I am particularly delighted today to have this opportunity to speak on the private member's bill. I think it is important to get the views of what is largely a contingent from the urban centres. I am right smack in the middle of Metro Toronto. I represent the riding of Lawrence, which is in North York. I thought it would be interesting to make some comments on this bill from my perspective, and probably the views of urban dwellers right across the province. I hope I would reflect those views.

I want to support the member's initiative here, because I think it is important in so many ways and in far-reaching ways. I have limited time to speak, but there are a number of issues I want to cover.

First, I think most of our citizens who dwell in the cities do not appreciate what the farmers of this province do for them. The most important thing is that they would certainly provide us with a secure supply of food into the future, when I think that will become more relevant. We have heard a great deal on that, but I think more needs to be said.

The figures are interesting. One in five Ontario jobs results from the agricultural industry, which is quite

amazing, when you think about it. That is an incredible economic base.

1130

The other reason I would link the city with the country on this is because farmers are small businessmen. Farmers can understand perhaps as well as small businessmen, wherever they may be, the difficulties which face farmers and small businessmen. There is a great commonality there. I would say to this government the real issue is that we are doing very little for farmers and we are doing very little for small business people who are facing difficult times. I think the policies of this government need to be directed to those very important groups. Farmers provide one out of every five jobs related directly or indirectly to the agricultural industry. Small business people provide a great deal of employment. In fact, they are the sector that increases employment the most. When we have an expansion, and it will come some time in the future, hopefully not too far, we will rely on those people to create wealth. I think it is important for this government to recognize that. It is not doing enough to recognize that important relationship.

So I say to the member, getting back to her bill, that this government is not doing enough for the farmer. Quite frankly this bill, although worthy and admirable on her part, and I will support it, does not go far enough. I hope she takes that message to the Treasurer and to the Minister of Agriculture and Food. There is a financial crisis among farmers, a deep crisis. It is getting worse. It started many years ago, but now is the time to do something about it.

Look at the retail situation with respect to Sunday shopping, with respect to the new policy that has been brought forward by this government. It is not going to help farmers one little bit. It is going to aggravate the problem. I think the government needs to seriously look at that as a factor contributing to this growing crisis.

In addition to that, the NDP's promise to fund the net income stabilization account did not go far enough; \$35 million I believe it was. It created a gap. The amount required was \$124 million, and that gap is severe. I think farmers would speak to that and have spoken out saying the government did not support them enough.

If we want a secure food supply into the future and if we want an indigenous agricultural economy that still allows for the independent farmer to exist out there, then we have to bite the bullet and say we are going to support our farmers, not just by the good member's initiative here with her bill that proposes to have public sector institutions support the agricultural industry directly, but I think through additional programs which would go a long way to helping the plight of farmers financially. That is the crux of the issue.

The concern I have with the private member's bill relates to international trade barriers. Of course GATT has a role to play in all this. I would say to the member that there are concerns that we comply with what might result out of the latest GATT negotiations, which have not concluded, and attempt to resolve the whole question of subsidies to the agricultural industry. I would be very careful treading in that area. I think we would not like to fly in the face of international pressures with respect to trade measures that would be taken reciprocally, shall we say, against

our agricultural industry, which exports quite a few of its products around the world as well. So I would be concerned about that.

I would also like to say to the member, as I am running out of time, that her initiative needs to be looked at a little more carefully with respect to how we are going to enforce the provisions of this private member's bill. I think it is one thing to say that we should do this; it is another to say how we are going to go about enforcing and ensuring that our public sector institutions are complying with this initiative, if indeed the government sees fit to bring this forward as a policy of its own.

I commend the member for bringing forward this initiative. I also suggest to her that she lobby really hard for her government to adopt this and other practices which would enhance and promote the agricultural industry in our province.

Mr J. Wilson: It is a pleasure to rise today and speak about the private member's bill, An Act to require Public Sector Institutions to serve Food grown in Ontario, put forward by the member for St Catharines-Brock. I commend her for bringing that forward.

I know the member to be a good person. I have served on the standing committee on social development with her throughout the summer and found her to be a very conscientious member of this Legislature and one who is very much aware of the needs of her constituents, particularly the farming community in the riding of St Catharines-Brock. Certainly the member is well intentioned with this bill, and it would be difficult for any member of my caucus in the Ontario Progressive Conservative Party not to support the principles of this private member's bill here today.

But it is ironic that this government had to be forced into a debate on the farm financial crisis by the opposition parties, because it went through the first year of its government not spending nearly enough on agriculture and spending money in what we would consider many misdirected areas.

Mr Mills: Give us an example.

Mr J. Wilson: I will be happy to give the member some examples in a few moments.

On Monday of this week the leader of my party, the member for Nipissing, brought forward a resolution to force the government to deal with the farm crisis, and the NDP members in this chamber voted against that. Simply, the leader of my party called upon this government to sign up for NISA this year to make sure farmers receive payments they are entitled to under the federal-provincial program.

It is sad that they voted against my leader's resolution, which was very important and which had specific measures to address the farm crisis, and today they are bringing forward a private member's bill to try to convince the people of Ontario that they are deeply concerned about agriculture.

Yes, the next day in the Legislature, Tuesday, the Treasurer did make an announcement of some \$35.5 million for assistance to Ontario farmers, but as you so ably pointed out yourself, Mr Speaker, as the critic for agriculture in the Ontario PC Party, \$35.5 million pales compared

to the need out there and in comparison to the misdirected spending and priorities of the government.

I point out that the government's payroll for civil servants this year is up 14%; that is \$512 million it has given the civil service over the past year. They have also, in addition to that, given \$20 million in bonuses to senior civil servants.

When I asked the Treasurer yesterday whether he had any money to help the frail and elderly in nursing homes—there are some 12 to 15 nursing homes in receivership now, and we know after October 15 there will be hundreds of seniors out on the street if this government fails to address that urgent need in the nursing home industry—when I asked the Treasurer about financial assistance in that area, he simply said, as he so often says, that my party is bound and determined to pit one group in society against another.

I want to give a message to the government today that when it comes to assistance for farmers or when it comes to assistance for the frail elderly of our society, my party stands behind the frail elderly and farmers any day of the week. If the Treasurer wants in his responses, time and time again, to try to pit us in the public mind one group against the other, we simply say to him it is a question of priorities, and that this party, through its long and proud tradition in the Ontario government, when it was in government and in opposition, has firmly stood behind farmers, and that is the topic of today's debate.

There are 60,000 farm families in this province. Again, \$35.5 million pales in comparison to \$150 million for 4,500 jobs at de Havilland. Now, I know Bob White makes a lot of the government's decisions and I know the Canadian Auto Workers union is exceptionally important to this government, but \$150 million for 4,500 jobs at de Havilland is ridiculous. That \$150 million would go a lot further than \$35.5 million in helping to address the farm crisis and some 60,000 families.

Farmers in my riding can only dream of jobs as well-paying as those at de Havilland that this government has decided to prop up.

Mr Mammoliti: Are you saying they're not worth while?

The Acting Speaker: Order, please. You will have opportunities to address this.

1140

Mr J. Wilson: This government has decided to give \$250 million for 600 jobs in Elliot Lake—that is a pretty expensive job-maintaining program, I guess you would call it—and \$35.5 million for 60,000 farm families that are in serious need in this province.

Again, my farmers and the farmers in the riding of Brant-Haldimand, whom I and many of my colleagues met with recently, can only dream of jobs as good as those at the mines in the north and at de Havilland here in Toronto.

Also, Mr Speaker, you might point out that \$5 million was spent by this government over the past few months to study auto insurance, and for what? It has decided to retract on it after \$5 million in studies. My recommendation to them, as a former political assistant, would be to simply

go to the library and read all the studies that are there. There are decades of them on auto insurance. They did not need to spend \$5 million hiring consultants and wasting money that could have gone towards helping to solve the farm crisis.

Any day of the week, my party stands behind farmers and the truly needy in this province. And we understand priority setting, and this government really does not have a clue how to set priorities. We see the Treasurer yesterday having to retract and reshuffle the deck to try and come up with some cost savings which we know are not cost savings but simply deferrals to next year's deficit.

We understand that the Treasurer is admitting that he has made mistakes over the past 12 months, that his April budget was a disaster and that the government is trying to change direction. I simply say that we are here to help, if they need our assistance and our suggestions.

Mr Hayes: On a point of order, Mr Speaker: I know that in this House it is a democratic system, and we all have the right to get up and say what we feel. But I think it is really a crime when we have a bill, such an important bill as this, talking about promoting the food of Ontario growers—

The Acting Speaker: I am sorry. That is not a point of order.

Mr J. Wilson: The reason I point out the misdirected priorities of this government is that we know 60,000 farm families should come before the millions of dollars it is spending on all kinds of other very expensive job creation and maintaining programs.

I ask the member for St Catharines-Brock whether she has thought of the implications for this bill on the international scene. In my opinion, from my past experience with GATT, this would likely be ruled another trade barrier. Farmers do not need more trade barriers. Our farmers can compete with the best in the world if they are given the financial support to be on a level playing field with other provinces and with all other jurisdictions in this world. The government has to put more money into financial assistance for farmers. We have to make an attempt to compete with other treasuries and, at the same time, continue the efforts and redouble efforts to get down those trade-distorting subsidies that are so common in the European Community and the United States.

In wrapping up, I do commend the member. She has the right principle, the right thrust. She is going to bat for her constituents, which is commendable, but I would ask her, in her remarks, to respond to the international implications of this and simply whether the bill would be legal if it were passed.

Mr Dadamo: I would like to make something extremely clear this morning. I want to mention that the problems with farmers and what they face today did not start overnight, did not start September 6, 1990. The third party was in power for many years, the Liberals for a number of years. All of a sudden we are faced with this dilemma and trying to do the best we can.

Let me mention also that it was an initiative of our government this past week and the Minister of Agriculture

and Food, who made the announcement of \$35.5 million for the farmers, and we are doing the best we can, and hopefully we can find some more money for the farmers that we could give to them in the coming months and the coming year. We are doing the best we can.

I also want to say that I am honoured to be speaking on Bill 133 this morning.

Interjections.

The Acting Speaker: Order, please. The Speaker has a great deal of difficulty hearing the member. The honourable member for Windsor-Sandwich has the floor.

Mr Dadamo: Thank you, Mr Speaker. I also want to say that I am privileged to be a member of the rural advisory committee with 24 members of the government side. We meet regularly to talk about the problems of the farmers and we do a lot of work on behalf of the farmers. The members behind me, the member for Essex-Kent and the member for Chatham-Kent, who are also on the rural advisory committee and work along with us, do a lot of work.

This bill put forth by my colleague the member for St Catharines-Brock is in my opinion a very timely and strong statement which this Legislature, and especially the two opposition parties, should take very seriously this morning. This past week the Treasurer announced a commitment and a strong confirmation on behalf of the government that we would aid rural Ontario. The reaching out to our farmers by way of \$35.5 million is a strong initiative.

I sat here this morning listening to the member for Simcoe West. I am not sure whether he is going to support the farmers. It was hard to make out what he was saying in the seven or eight minutes he was standing in this House. I feel compelled to support the bill of the member for St Catharines-Brock, which aims at serving Ontario-grown foods in the public sector.

The timing of this bill is impeccable. My colleague should be commended for caring for the agriculture industry in Ontario. I think we should all be supporting the farmers. We should all be buying food from Ontario. I do not think that is even debatable, considering what the farmers in rural Ontario are going through these days.

Bill 133, An Act to require Public Sector Institutions to serve Food grown in Ontario, is aimed in the right direction for the citizens of Ontario. As well, eating food grown here in our own backyard will only enhance our commitment to rural Ontario. We care strongly for and we should be supporting their hard work, their toil, their labour on the farms and their persistence in maintaining high standards in food products in this province. We should be supporting them.

I also want to mention a couple of things before my time runs out. Agri-Food Week celebrates Ontario food—glorious food, I would like to add. It of course is a showcase for the variety, the quality, the freshness and the abundance of the food we eat. We should be thankful the farmers are working for us and are supplying us food. We are blessed to have farmers doing these things for us, even though a lot of them are not making any money in Ontario. Agri-Food Week is an annual harvest celebration in October. It is the week before Thanksgiving. We hope everybody buys pumpkins grown in Ontario.

In closing, Ontario farmers and their families work hard to grow the food we eat. The member for St Catharines-Brock is indeed intelligent for introducing such a timely bill. I would like to urge members of this House to think this through and support Bill 133. Otherwise, I think it would be tough to go home this weekend. For those watching throughout the province this morning—I am sure many farmers and their families are since it could be raining in parts of the province today and they are indoors—our hats are off to them. We hope the \$35.5 million will aid them to some point. They can rest assured this government is working hard for them and will continue to work for them, because they are integral to the province.

1150

The Acting Speaker: The honourable member for St Catharines-Brock has two minutes to sum up.

Ms Haeck: I thought we were going to hear some more interesting comments from the members opposite, but I think we have some good points on which to close.

I would like to address the issue the member from the Liberal benches raised with regard to labour costs. It is absolutely necessary for me to recognize the fact that horticulture is a labour-intensive area, a sector of agriculture. The minister recognizes this. In fact, on a recent farm tour to my riding he indicated to the farmers that he and the Minister of Labour are working very hard to minimize the impact of the recent proposed minimum wage legislation.

I also want to recognize that farmers are the first environmentalists. Definitely the farmers in my area feel very strongly about the issues the member for Simcoe East raised. This is something they take very much to heart.

I would like to also indicate that it is nothing new to the farming sector that this recession exists. It has been in existence for over 10 years. I remember that for even longer than that farming has always had some very strong issues. We as the government definitely recognize that this issue is not going to be dealt with overnight. What we are saying is, "Here's some short-term assistance and the long term is something that is very clearly being addressed."

In conclusion, I have presented this bill in support of Ontario food producers, the farmers, the food processors and Ontario wineries. I know my colleagues on the government side who have rural components in their ridings feel as strongly about this bill as I do. I ask all members of this House, the opposition and my fellows here on the government side, to support this bill. By doing so they will send a very positive message of support to an absolutely vital group in our society, our farmers. Their support is

needed to see agriculture survive in Ontario. They should buy the food that their neighbours grow.

The Acting Speaker: This is the allotted time for ballot item 34, Bill 133. We have a small problem in that in the standing orders we cannot vote until 12 o'clock. Do we have agreement of the members present to proceed with ballot items 33 and 34 prior to 12 o'clock?

Agreed to.

UNSOLICITED FACSIMILE
TRANSMISSIONS ACT, 1991

LOI DE 1991 SUR LES TRANSMISSIONS PAR
TÉLÉCOPIE NON SOLLICITÉES

The Acting Speaker: Mr Cousens has moved second reading of Bill 134.

Motion agreed to.

La motion est adoptée.

Mr Cousens: Mr Speaker, can this be referred to the standing committee on general government?

The Acting Speaker: The honourable member has requested that his bill go to the standing committee on general government. Is it the pleasure of the House that the bill go to the standing committee on general government? Do we have a majority of the members present?

All those in favour of Mr Cousens's motion going to the standing committee on general government will rise and remain standing. Those opposed to the bill going to the standing committee on general government will please rise and remain standing.

We do not have a majority for the bill going to the standing committee on general government. Therefore, it will go to committee of the whole House.

Bill ordered for committee of the whole House.

Le projet de loi est déféré au comité plénier de la Chambre.

PUBLIC SECTOR FOOD SERVICES ACT, 1991
LOI DE 1991 SUR LES SERVICES D'ALIMENTATION
DU SECTEUR PUBLIC

The Acting Speaker: Ms Haeck has moved second reading of Bill 133.

Motion agreed to.

La motion est adoptée.

Bill ordered for committee of the whole House.

Le projet de loi est déféré au comité plénier de la Chambre.

The House recessed at 1156.

AFTERNOON SITTING

The House resumed at 1330.

MEMBERS' STATEMENTS

ANNIVERSARY OF GERMAN REUNIFICATION

Mr Daigeler: Today, October 3, is the first anniversary of Germany's reunification and its new date of national celebration. For many Canadians of German origin like myself, this day last year was a momentous occasion. After 50 years of totalitarian suppression, East Germans were finally able to join the democratic and free world community.

Rebuilding the economic, social and political infrastructure in the new German provinces is a difficult task. Many outmoded and pollution-prone factories and shops had to be closed. But I am heartened by the optimistic picture German parliamentarians gave me last night at a friendship dinner here in Toronto.

I also rejoice in the German chancellor's commitment to European integration. At a time when Canada's future is threatened by separatists, it is especially meaningful to hear Chancellor Kohl admit in his October 3 address:

"We achieved reunification under a common European roof. Our freedom and our prosperity are inseparably linked with our membership in the European Community and in the Atlantic alliance. Together with our friends and partners, we want to make our contributions towards building a United States of Europe."

To all Ontarians of German origin, I extend special greetings on this occasion, and to the German people themselves, I wish Godspeed in their rebuilding efforts.

TORONTO BLUE JAYS

Mr Arnott: Stepping up to the plate as the leadoff hitter, I want to congratulate the Toronto Blue Jays for their magnificent win last night at the SkyDome. We can all look forward to even bigger and better victories as the Jays take dead aim on the World Series.

Fifty thousand Ontario residents cannot be wrong. There was a resounding cheer as the American League East champions won their division. There was also a resounding Bronx cheer for the Premier of this province. I have to assume that the cheers in both cases were appropriate.

Not to dwell on politics, though, on such a joyous occasion, I just want to mention here at this time that it was a Premier representing the Progressive Conservative Party that helped to bring the Blue Jay franchise to Toronto.

The attendance record was also a major feature in last night's extravaganza. This is something our left-throwing Premier should keep in mind. His attendance in this Legislature is at the other end of the scale from that of the Blue Jays.

Again, not to dwell on the political, our lefty Premier could take a lesson from the division champs and realize that success does not come from left-fielders alone. We need someone in there pitching for the people, going to bat for the people, covering the bases and hitting home, but not with a tax burden that only a superstar can afford.

The Jays' division title is in no small part due to astute management. This is something our government in left field should keep in mind, before we all have to be dug out.

I am sure all members of the Legislature will join with me in congratulating the Jays on a job well done, and wishing them the very best as they take on the Minnesota Twins for the pennant, and then the World Series. Okay, Blue Jays, let's play ball.

ARTS FESTIVAL

Mr G. Wilson: On Saturday, September 21, I found a pot of gold in my riding of Kingston and The Islands. It was at the end of a rainbow of colourful characters parading through the early morning streets of Kingston to the Grand Theatre. This was the location of the fourth annual Have an Affair with the Arts, sponsored by the Kingston Regional Arts Council.

On display at the Grand was a year's cultural activities concentrated into six hours. The more than 3,000 festival-goers were entertained by actors, dancers, choristers, instrumentalists, marionettists and storytellers. Level of ability ran from novice to professional, and 35 exhibits as varied as book publishing and wood carving provided access to the arts throughout the rest of the year.

Hearing a seniors' choir follow a children's choir reminded me that an affair with the arts could be not only passionate but lifelong. Without support, however, there will not be the opportunity for our children to develop artistically or to share their talent with their community.

I am pleased to commend then the many volunteers who worked so hard to make the day a success. In particular, I would like to mention Annie Milne, parade co-ordinator, and Pat Hodge, event co-ordinator. I also wish to applaud the businesses which advertised Saturday's event by displaying in their windows work by local artists. This is a reminder that the arts are not only to delight the senses but also to generate wealth in the community.

Finally, the city of Kingston helped pay for the festival in acknowledgement of the essential role the arts play in the life of the community. This co-operation among groups in the Kingston area provides the basis for a flourishing cultural life. It is a model other communities might wish to follow.

TORONTO BLUE JAYS

Ms Poole: It gives me great pleasure to rise in this House today to pay tribute. From all corners of this province, from Windsor to Ottawa, from Trenton to St Catharines, from Sudbury to Mississauga, from Timmins to Metropolitan Toronto, even from Listowel to Wingham, from every region of this province, last night we proved that we are the best baseball fans in North America. For the first time in major league history a team attracted four million fans in one season, and that team, as we all know, is our very own Toronto Blue Jays.

Last night there was more good news. In fact, I think it is great news. The Blue Jays did not let us down. In a

thrill-packed game, the Blue Jays clinched their third American League East championship in the past six years.

Some days there just does not seem to be much good news going around. People are pessimistic and people are cynical, and to many people of this province there has been precious little good news since September 6, 1990. But millions of people across Ontario and across Canada are just thrilled to celebrate the victories of our talented ball club.

I know I join with all members of this House in wishing our Blue Jays the very best for the coming World Series that we know is in the offing. Go, Toronto Blue Jays.

HOSPITAL FINANCING

Mr J. Wilson: In light of the Treasurer's statement yesterday announcing spending reductions for each ministry and the trimming of \$100 million from ministry operating budgets, concerns are being raised regarding certain capital projects for hospitals in Ontario. The Treasurer's announcement yesterday will undoubtedly jeopardize consultants' reports and redevelopment studies for several of Ontario's hospitals. Hospitals such as the Collingwood General and Marine Hospital, Orillia Soldiers' Memorial Hospital, Barrie's Royal Victoria Hospital, Mattawa General Hospital and Joseph Brant Memorial Hospital, to name just a few, deserve some direction from this government so that they can plan accordingly.

In the wake of the confusion that has resulted from the Treasurer's statement yesterday, I urge this government to provide a prescription that enables hospitals to plan for the future. The minister must move immediately to inform Ontario hospitals exactly what capital projects this government intends to cancel and what projects she will commit to. It is difficult enough for hospital boards to budget and plan for the future. I fear the Treasurer's announcement of yesterday, left as it is, will serve to cripple this process.

I am calling on this government to clear up the confusion and on the Minister of Health to start providing desperately needed planning direction for health care facilities and hospital boards.

LANDLORD-TENANT CO-OPERATION

Mr Mammoliti: In light of the heated debates on rent control legislation, I would like to share with every member of this Legislature a series of events that have recently taken place in my riding of Yorkview. What I am about to tell the members opposite and my colleagues will prove that tenants and landlords can work together.

The tenants living at 2850 Jane Street and their landlord, Mr Barry Klady, have successfully come together to work out their differences concerning the landlord's proposal to construct three new apartments in the building.

With the consent of the landlord and the tenants' association, represented by Isabelle Karakatanis, it was my honour to act as mediator for the two parties. I am pleased to say that both groups approached the discussions in a professional and sincere manner and produced an agreement that both can be proud of.

I am happy to report that an agreement was reached on the construction of a recreation centre for the building as

well, to coincide with the addition of the new apartments. When both sides finally came to the table, further agreements were made as well. The lobby will also be expanded and three new washers and dryers will be installed.

It is a rare thing indeed when tenants and landlords can work together effectively to benefit both parties. I would like to congratulate Mr Klady and the members of the tenants' association for their efforts and hope that this particular case will serve as an example to all tenants and their landlords.

1340

SHIPBUILDING INDUSTRY

Mr Bradley: The shipbuilding industry in Ontario has been dealt a major blow by the government of Canada, which has selected Montreal-based SNC-Lavalin, a company which has no shipbuilding experience, to build 12 minesweepers for the Canadian navy. Canadian Shipbuilding and Engineering of St Catharines, a firm with unparalleled expertise, a proven track record and a skilled and experienced workforce, has been denied the opportunity to participate in this \$500-million contract.

Port Weller Dry Docks has produced a variety of ships on time, within budget and to the satisfaction of its customers. Yet Lavalin, which has been the beneficiary of a government bailout and which was seized less than two months ago by a consortium of banks and resold to Montreal-based SNC Group Inc, has been given the \$500-million handshake by the Canadian government. Some 1,000 jobs will be denied to the employees of Port Weller Dry Docks and a much-needed shot in the arm will be denied to the Niagara region and the Ontario economy.

The Golden Horseshoe is no longer golden. The government of Canada must realize this. The jobs are needed. The Ontario government—the previous government negotiating a contract; the present government completing the contract and awarding it—has placed a contract there. The federal government should have followed suit. Something is rotten, not in the state of Denmark, but in the nation of Canada.

ONTARIO HYDRO LEGISLATION

Mr Jordan: I would like to ask the Minister of Energy who he is now trying to mislead. The amendments to Bill 118, as presented yesterday, are a joke.

The Speaker: The member is not suggesting that someone is misleading the House or misleading anyone, I trust. Would the member rephrase his statement.

Mr Jordan: I retract that statement.

The Speaker: If the member would rephrase his statement, it would be appreciated. Could we restart the clock? Perhaps the member could restart his statement.

Mr Jordan: The amendments to Bill 118, as presented yesterday, are a joke. From the beginning, this legislation has been flawed and unnecessary. This week the government bungled the delivery of new amendments by having a backbencher, instead of the minister, attempt to deliver the joke.

I can see the minister being embarrassed to deliver it, because the amendments vaguely address only subsection

9a(1) by the addition of the following: "On matters relating to the corporation's exercise of its powers and duties under this act."

Ontario has no guarantee in the future of a reliable source of power at cost. Policy directives still give the minister too much power. Fuel switching at Ontario Hydro customers' expense is ludicrous and not an acceptable business practice.

The government will not save 700 megawatts of energy. It will transfer it into 2,389,100,000 BTUs of fossil fuels at the expense of the ratepayer. The government will do this in a dictatorial fashion, without the approval of the elected municipal governments.

These powers are in the minister's hands, due not only to this legislation but to the government's political choice of executive control.

ROBERT MIDDAGH

Mr Christopherson: It is my pleasure to rise in the House today to inform members of the appointment of Robert Middaugh as the new chief of the Hamilton-Wentworth Regional Police Force. Chief Middaugh comes to Hamilton-Wentworth with an impressive array of policing and educational credentials. A 24-year veteran of policing, Mr Middaugh started his career in Peel region, moving to Halton as inspector, becoming deputy chief in 1980. Halton officials expressed to Rick Hughes of the Hamilton Spectator that Mr Middaugh was highly regarded in their community and especially respected for his analytic capabilities.

Our new chief also supports the new employment equity goals as set out in the Police Services Act, which call for more minorities and women on the force.

I would also like to commend the outstanding contribution of our outgoing police chief, Mr Colin Millar. Chief Millar joined the Hamilton police department 36 years ago and has served as our dedicated regional chief since 1978.

The Hamilton-Wentworth Regional Police Force is one of the largest municipal policing agencies in the province, with over 900 members. It is a force dedicated to the delivery of superior-quality policing services within our community.

In closing, I would like to join in welcoming Chief Middaugh and his wife, Judith-Ann, to our community.

TORONTO BLUE JAYS

Mr Malkowski: On a point of order, Mr Speaker: I was one of the four million fans who watched the Blue Jays last night. I was there at the game and I would like all of the members in the House and all of Toronto to show our appreciation by not only clapping but waving our hands in appreciation of what they did last night.

The Speaker: While the member for York East does not have a point of order, the Speaker can find nothing out of order with the Blue Jays winning.

VISITORS

The Speaker: I would invite all members of the House to welcome to our midst today, seated in the Speaker's gallery, a delegation of parliamentarians from the Federal Republic of Germany, headed by Mrs Eva Ruehmorkorf and accompanied by Mr Walter Leuchs, the

acting consul general. Please join me in welcoming our visitors.

STATEMENTS BY THE MINISTRY

WASTE REDUCTION

Hon F. Wilson: I am proud to rise today to announce new measures that demonstrate this government's continued leadership in greening initiatives. Although this government has already cut by 28% waste produced in government buildings with a full recycling program, we are the first to recognize there is more that can be done, more that must be done. This is why the Ontario government has a green workplace program that promotes the 3Rs at work.

Today, in the spirit of Waste Reduction Week, this government takes another bold step forward by announcing new green workplace program initiatives. I want to remind the House that these initiatives not only improve our environment, they also reduce the cost of government and help to foster new, competitive green industries in Ontario. Waste reduction is a vitally important issue in Ontario. We produce enough waste to fill the SkyDome to the roof every three weeks. Our wasteful habits are not limited to home. The average office worker in Ontario creates one kilogram of waste each day. About 72% of that waste can be recycled, or not used at all.

This government, together with 70,000 provincial employees, is working to reduce, reuse and recycle in government buildings and all across the province. Under the green workplace program, we have expanded our environmental protection initiatives. We are continuing with the 3Rs and are now working on better purchasing practices, on energy and water conservation and on air quality and hazardous material management.

Today we are committing \$3.2 million to new reduction initiatives. The money will be spent on projects that will deliver real environmental benefits over the next six months. Some of these projects involve high-tech solutions to reducing paper. Paper amounts to 80% of our office waste. We will be composting at psychiatric hospitals and corrections facilities, where up to 70% of the waste comes from kitchens. We will reduce our use of water, both outside on our lawns and inside by retrofitting washrooms. We will install new equipment to improve energy efficiency in government buildings and we will test new equipment to improve air quality. Also, we will be funding training for staff in handling substances harmful to the environment.

These greening projects will contribute to the economic revival and renewal in this province as well. Our program has the potential to create new jobs and stimulate economic development by creating markets for Ontario's new green industries.

1350

In a global marketplace that is more and more environmentally conscious, sunrise industries developing in this province will increase their export opportunities. This in turn creates jobs here in Ontario. By reducing what we use and what we waste, we are achieving real cost savings in

the way we work and in the way we operate our buildings. This government is not content to sit back and watch. We are ready to move further and faster, and government employees tell us they are ready to move forward with us. Waste reduction and long-term savings are our goal. Through our broad efforts and the participation of our employees, we can make government offices a model for resource conservation.

POLITICAL ACTIVITY BY POLICE OFFICERS

Hon Mr Pilkey: I am pleased to announce that a new regulation on permissible political activities for municipal police officers has been passed under the Police Services Act. This regulation strikes a balance between the rights of all Ontarians to receive a high degree of impartial and politically neutral policing services and the rights of individual police officers as members of their communities. This regulation supports the concept of community policing which recognizes that police today are a part of, not apart from, their communities. This regulation permits municipal police officers to engage in most political activity while off duty and not in uniform. Officers may express views as individuals as long as they do not associate their position as a police officer with the issue or represent their views as those of their police service.

I wish to remind members that the old Police Act did not address the issue of political activity for municipal police officers. Consequently, this resulted in widely varying local practices. This new regulation will clarify and guarantee the political rights of municipal police officers while ensuring province-wide consistency and fairness. This regulation has been developed in consultation with both public and police.

I am most pleased to inform this House that the regulation has the full support of Ontario's police leadership, which is represented today in the visitors' gallery. I wish to recognize Chief Rick Zanibbi of the Ontario Association of Chiefs of Police, Ruth Lovell of the Ontario Association of Police Services Boards, and Ted Johnson, Bob Morrison and Neal Jessop of the Police Association of Ontario.

With respect to the Ontario Provincial Police, my ministry will continue to work closely with the Human Resources Secretariat, which is examining political activity rights for crown employees. I am confident that the regulation which I am announcing today will strike a balance that ensures that Ontarians will receive impartial and politically neutral policing services while providing individual police officers with rights as members of their communities.

RESPONSES

WASTE REDUCTION

Mr Grandmaître: I would like to comment on the minister's green workplace program. I think it is very commendable that finally the government is realizing that much more is to be done if we are to accomplish what was initially started with the 3Rs program. I would have preferred the Minister of Government Services to stand in his place today and talk about the relocation program that was started with the Liberal government.

What would the minister have to say to the mayor of Haileybury in stalling the relocation program to his municipality, and also the mayor of Peterborough for again stalling on the relocation program? This is what we would like the Minister of Government Services to address in this House one of these fine days.

I said that the green workplace program is commendable, but I find it strange that the minister would stand in his place to announce a \$3.2-million program and yet the Keele Valley and Britannia sites are being left wide open to accumulate millions of tons of waste. In his statement, the minister was saying "enough waste to fill the SkyDome to the roof every three weeks." If the Keele Valley site and the Britannia site are left open until 1993-94, the minister should just imagine that 80 SkyDomes will be filled.

Again, it is not much of a program, but not too much is expected from that government.

POLITICAL ACTIVITY BY POLICE OFFICERS

Mr Curling: Members may recall the Police Services Act that the Liberal government put in place. The regulation that the minister announced today came out of that Police Services Act which was passed by our government. We welcome the minister's announcement of the increased but really limited role of the police officers. From our very preliminary view, the regulations appear to be sound regulations based on work done by the previous government.

One concern we do have is that while the consultation was to have involved both the police and the community, the public, there is nothing in the Solicitor General's statement, if you examine it, that tells us of the public's participation in the process. Before we pass any final document, we would like to review the regulation. He should remember that in his days that was consistently the view he took. We want to view it entirely. More important, we would like to be assured of the community's support of the regulation.

I am a little disappointed, though, that the Solicitor General has not been able to demonstrate community support today. I am very encouraged, of course, that the police have taken this great interest in this, and I think they should. We were unable, of course, to bring any of the community support that he speaks of so highly.

I am also encouraged—I think we must give credit where it is due—by the new consultation approach of this Solicitor General. I presume that when the oath to the Queen was banned without consultation this government was really taught a good lesson, that consultation works. I want the government to continue to do that. I am sure the community will be watching very carefully. I think we have some wonderful police officers in our community and of course they should participate in the political process, but we would like to take a very close look at this regulation before it is instituted.

Mr Carr: It was interesting to note that in a day and age when we are now faced with an increase in crime of 37%, this Solicitor General is worrying about how to ensure that the political activities of the police force do not become a big problem.

In my riding we had 4,000 people out in the Take Back the Night walk because of the concerns about crime in the

street. We had two murders in our community during that period. It has become the number one problem in my area. The number one problem for the people in Halton is safety on the streets. What does the Solicitor General do? He comes in and he is worried about people being able to organize.

One of the things we on this side are going to be grateful for, I tell the minister right now, is that when they do begin to organize and get politically active, the first thing they are going to do is try to put this government out of office next time around.

We have finally gotten through to this government. The members opposite talked about consulting. It is interesting to see they are finally listening to some of the fine folks who are here today, because when it came to the other regulation, when it came to the change in the oath to the Queen, they listened to no one. It happened in the dead of night with no consulting, and the people of this province are mad about that too. The next time around, the people who are concerned about things like the oath to the Queen and crime in this province are going to be the ones who are going to put this government out in the street.

1400

WASTE REDUCTION

Mr Turnbull: To the Minister of Government Services I would say first off, good effort, but I find it rather ironic that the most significant environmental initiative this government has made in the last year has come from the Ministry of Government Services. Unfortunately I do not think it is going to do anything to solve the mess that the Ministry of the Environment has created in the greater Toronto area. I would also say congratulations on an attempt to cut waste. I certainly hope it has more success than the Treasurer had in his statement yesterday.

Normally I associate this government with the 3Rs, and the 3Rs, as far as the members opposite are concerned, are review, recant and retreat. Hopefully it will do something to reduce the pile of garbage which has no place to go in the greater Toronto area. I am sure this will be the first of many efforts this government will attempt to regain its slipping credibility. The government may be a cleaner place, but what about making the government a more efficient place?

ATTENDANCE OF PREMIER

Mr Miclash: On a point of order, Mr Speaker: I am actually quite disappointed that again we have a government here without the Premier. As we know, question period is very important to people on this side of the House. It is very important for us to ask the Premier what he is doing in terms of some of the policies he has and to get some of the honourable members' ideas across to the people of Ontario. There is a lot of dissatisfaction out there and I think the Premier should be here to answer some of our questions regarding some of that from my constituents.

Hon Mr Cooke: Mr Speaker, because this has been raised a couple of days in a row, I would like to point out to the House that on September 23, when the House resumed, the Premier was here. The next day he attended the

funeral of a fallen OPP officer. On September 25, he spoke at a community college association. On September 26, he was here. Earlier this week he was in Milwaukee. He was also at the opening of the Bank of Montreal training centre, and today he is speaking to the international woodworkers. Today is the 81st question period for this government and the Premier has attended 66 of those question periods, or 80%.

The Leader of the Opposition is not here.

Interjections.

The Speaker: Order. Will members come to order, please? I am asking all members of the House to come to order, please.

The member for Kenora, and indeed other members who have raised a similar point of order, will know that there is nothing in the standing orders which will be of assistance to the Speaker in this situation. Of course the Speaker would very much like to see every member of the House in full attendance at all times, but there is nothing in the standing orders that speaks of attendance. I would ask that we continue with our business in a calm and reasoned way.

ORAL QUESTIONS

GOVERNMENT SPENDING

Mr Conway: I have a question for the Treasurer and it concerns his most controversial, much-troubled budget to which he administered some rather interesting plastic surgery in this Legislature yesterday afternoon. Would the Treasurer not agree that the people of Ontario understand the very dire straits in which this budget now finds itself? They understand that the expenditures are above what was projected and in fact many feel the expenditures are running out of control. Perhaps as important, evidence builds that revenues are not spot on, as the Treasurer would like us to believe. Given the not inconsiderable prelude to yesterday's midcourse correction, is the Treasurer not embarrassed that all he was able to do for the taxpayers of Ontario yesterday was to defer much and decide very little to deal with the budgetary haemorrhage in fiscal year 1991-92?

Hon Mr Laughren: The member opposite is being somewhat extravagant in his description of the state of the budget, but on the other hand, I have always enjoyed his extravagances.

I should remind members that what we did yesterday was announce a 1% correction or adjustment in our expenditures for this year. That is all; nothing more. Expenditure pressures have been building this year for reasons I explained in some detail in my statement yesterday. All we are saying is that in order to keep to our target on our expenditures, we simply must make some midyear adjustments. I think any large organization that was responsible would do the same thing. We have simply said that we are going to make this correction in order that we stick to our guns on controlling our expenditures. I think the people of this province expect no less and we are determined to do that.

Mr Conway: There is a Ronald Reagan-like calmness in the Treasurer's comments just delivered, and against

that backdrop, I want to look specifically at what the Treasurer did yesterday on the expenditure account.

What the Treasurer did not do on the expenditure account is that he made absolutely no effort to restrain or constrain in this fiscal year some of the most protected, privileged and well-paid people in this province, namely, the doctors, the teachers, the union bosses and the public servants, good people all.

What the Treasurer did do yesterday, as he cowered at the prospect of that common front with which he made a happy alliance in the election campaign of 1990, is that in the fiscal year 1991-92 he cut back \$13 million from the budget of the Ministry of Colleges and Universities. While he did not have the guts to deal with the doctors, the teachers and the public servants, he thought not a second about asking the college and university students to carry a disproportionate share of the restraint burden in the fiscal year 1991-92. As a social democrat, is he not embarrassed to stand in this House and defend that kind of iniquitous tax policy?

1410

Hon Mr Laughren: The member opposite has moved from extravagance to cruelty in his charges to me. I should say to the member opposite that he is not being fair either. On all counts, he is not being fair. This government has for the first time put a containment on the overall costs of the health care system. That has never been done before in the history of this province. We did it.

Second, we have sent a very strong signal out there that we are going to manage our expenditures very carefully, including our negotiations with the public sector, but that will be done through the collective bargaining process, which we respect unlike some other jurisdictions I could name in this country.

Finally, it is not accurate to state that we have simply moved the problem from this year to next year. There were two issues on which we did indeed move, not the problem but a pressure, from this year to next year because there is a retroactivity to them. One is the pay equity settlement of \$50 million. We are going to have to pay that in the next fiscal year, absolutely. That was done because the amendments to the legislation will not be through. Second, the wage protection fund will not all be paid this year as originally we thought it would be. That will be paid next year. Those two numbers will be moved into the next fiscal year. The other numbers are effective savings for this year and for next year.

Mr Conway: The spin doctors would be happy with the headlines today which indicate that Ontario has lopped \$600 million off its budget. When I look at what the Treasurer said and did yesterday for the fiscal year 1991-92, I see that \$460 million of that \$600 million was in fact deferred to next year. Would the Treasurer not agree that having regard to the expenditure part of his growing budgetary problem and haemorrhage, all he did yesterday on behalf of the beleaguered taxpayers of Ontario was to pay this year's MasterCard with next year's Visa?

Hon Mr Laughren: The member has returned to extravagant language in his final supplementary. I would

simply say that is not accurate. The savings we are effecting, for example in the expenditures of the various ministries, will reduce the base for next year and in the next 18 months will effect a saving of about \$300 million. That is real money and it is real savings. That is not simply deferring expenditure to next year. That is simply not the case. The member is not depicting it as it really is. Those are permanent savings in the expenditure base of this government. We are determined that we are going to carry through on those expenditure savings, because I believe that is expected of us and we are determined to do it.

TAX REVENUES

Mr Conway: I have a second question for the provincial Treasurer. I would like to leave the expenditure haemorrhage for a moment and now deal with the revenue difficulties. I must say, listening to the Treasurer respond yesterday to my colleague the member for Scarborough-Agincourt, I am increasingly persuaded that my honourable friend the member for Nickel Belt knows more about the revenue difficulty than he is yet prepared to announce to this House. Be that as it may, we must deal with what we have before us. He says that in the here and now his revenues are spot on.

The Treasurer's budget plan for the fiscal year 1991-92 anticipates a decline in retail sales tax revenues of approximately 2.5% over the previous year. Statistics Canada has indicated that in the first six months of this calendar year retail sales in Ontario were off by fully 8%. Can the Treasurer indicate whether or not his officials at Treasury have briefed him that the retail sales tax numbers, even though they were discounted by 2.5%, may in fact be seriously overstated as we speak?

Hon Mr Laughren: No. At this point in time, and that is as far as we can go, the numbers indicate that our revenues are as we forecast in the spring budget. I would put a couple of cautions there, which I tried to do the other day as well. Although there is no indication that there is going to be a decline in revenues, there are two major sources of provincial revenues, our own source revenues, whose numbers come in quite late. One is the retail sales tax revenues, and a big chunk of them tend to come in during January because of the shopping period in November to December. The other number is corporate income tax, which comes in even later than that, because of the way in which it is reported. Those are the only two numbers, and at this point in time we think our forecasts are accurate.

The final proviso I would put to the member opposite is that historically—and members of his party would understand this—the federal government's allocation or transfer to us of provincial income taxes, which they collect for us of course, has been somewhat volatile in the way it comes to the province. A couple of years ago they were almost \$1 billion over, as I recall.

Those are the three provisos I put to the member opposite, because at this time I have no indication from anyone that our revenues are going to be less than we have forecast.

Mr Conway: I appreciate the response, but much of it was a pink herring. I am interested only in provincial retail sales tax revenues for purposes of this question, and I repeat,

this budget plan for fiscal year 1991-92 anticipates a decline of 2.5% in retail sales tax revenue over last year.

The Statscan data already in for the first six months of this year suggest that retail sales taxes in this province are off by 8%. If anything like that trend continues, and those well-paid minions at Treasury must know this, the Treasurer's revenue figures for provincial retail sales taxes in this budget plan are overstated by anywhere from \$300 million to \$450 million. In light of that assessment, how can this Treasurer honestly and credibly tell us in this Legislature this late in the cycle that his revenue plan is spot on?

Hon Mr Laughren: I will be as direct as I can with the member. I have received no information that leads me to believe our forecasts will not be realized. The member opposite must know as well as anybody in this province that sometimes one's forecasting can be off.

Mr Conway: My final supplementary deals with the retail sales tax revenue. The Treasurer alluded to my next concern in his second-last answer, and that is, as I think all members would know, that a large portion of retail sales occur in the economy in the eight or 10 weeks prior to Christmas.

As the Treasurer of Ontario, the man who must defend this increasingly incredible budget where the revenue projections are overly optimistic, does the minister not feel the time is right to take some immediate action with respect to his government's wacko Sunday shopping legislation, to ensure that the retailers of this province are going to enjoy some kind of activity prior to Christmas, if for no other reason than that these very optimistic retail sales tax numbers on which this most controversial budget now turns in large part can be materialized?

Hon Mr Laughren: I think the member is not accurate when he implies that Sunday shopping would resolve any kind of retail sales tax woes that may or may not be there. I simply do not believe the world is that simple and that extending the shopping week from six to seven days somehow gives us a great big bonus in retail sales tax revenues. We remain committed to our position for a common pause day.

1420

SMALL BUSINESS

Mr Carr: My question is to the Treasurer. I understand today is his birthday, but when he reads the survey that just came out he is going to age very quickly.

This morning the Canadian Federation of Independent Business released a shocking result of a survey: 36%, over one third of the small businesses in this province, say they are considering pulling out of Ontario, taking with them 500,000 jobs. They are laying the blame squarely on this government and the Treasurer and the Premier. I quote:

"Mr Bulloch charged that Ontario Premier Bob Rae and his government, by virtue of the misguided policies based on rigid ideological philosophies, are responsible for a dramatic decrease in business confidence and threaten to turn much of this province into a rust belt."

My question to the Treasurer is very simple: What is he going to do about it?

Hon Mr Laughren: Mr Speaker, I wonder whether you would allow me to refer the rigidly ideological member's question to the Minister of Industry, Trade and Technology.

Hon Mr Philip: Nobody is more aware than this government of the problems small business and business are being faced with as a result of the recession. The major problem small business and all businesses have had in this province has been the GST, which was imposed by the federal Conservative government.

Interjections.

The Speaker: Order. Would the minister take his seat, please. I imagine that the member for Oakville South, who posed the question, would like to hear a response. The Speaker is required to hear responses as well as questions.

Hon Mr Philip: The Conference Board of Canada has estimated that this province will grow this year at a faster rate than any other province in Canada. I can also point out that new industries are settling and expanding. Only last night I opened Dover Elevator, which is expected to create 800 jobs. It is in the riding just next door to the member's own riding.

Mr Carr: Businesses are saying very clearly that the problem is with this government. They cannot blame other governments and the Liberals. They are saying very clearly it is the responsibility of the Ontario New Democratic government that has been in for over a year. I give a quote from Susan Swift. This is what they are saying, and I hope the minister will listen, "It is very clear that the Ontario government's policies and its overall disdain for economic logic and business reality has become the major concern of small businesses." Not GST; the major concern is the minister and his government. For example, 94% call the government's last budget irresponsible. Only 2% say it was good and 94% say the government is irresponsible.

My second question is, is the minister prepared to admit the mistakes and change the course so we do not lose 500,000 jobs in the province?

Hon Mr Philip: Members of the Conservative Party were very anxious to have hearings on this budget this summer. An overwhelming number of people who appeared at those hearings, be they business, labour or community leaders, were overwhelmingly in support of this budget and overwhelmingly against the GST, I might add.

Let me just add that no Treasurer, Liberal or Conservative, other than this Treasurer, the member for Nickel Belt, had the courage to fight the recession instead of keeling over and dying before the recession.

The Speaker: Would the minister conclude his remarks, please.

Hon Mr Philip: There is a restructuring going on throughout North America. Some companies are closing some of their plants and opening others. Let me give you an example, Mr Speaker.

The Speaker: Quickly.

Hon Mr Philip: Keeprite has just closed its plant in Illinois to open up a larger plant in Brantford, which will

create over 700 jobs in this province in the next five years. That is what is happening in business.

Mr Carr: The fact is that the statistics that come from them say 20% more businesses today than last March are thinking of leaving. The minister's problem is that he is taking one step forward, but he is taking two steps back. For every job that is coming in there are two saying they are thinking of leaving.

More shocking is the fact that 54% of Ontario's small manufacturers are thinking of leaving Ontario; one half are thinking of leaving Ontario. The minister can talk about some of the companies coming in, but 54% are saying they do not like what he is doing. They are thinking of leaving and they are thinking of voting with their feet. The minister cannot blame the federal government and he cannot blame the previous Liberal government. The jig is up. Business is calling his bluff. When is he going to start to react by trying to change the policies to help these companies that are saying if he does not they will not be around a year from now?

Hon Mr Philip: Business is calling the bluff of the Conservative Party. That is what is happening. Chrysler Canada in Bramalea was just selected to open its production site on a new model. This will cause the creation of 1,000 new jobs. That is what Chrysler Canada has said. Chrysler Canada has added another 1,400 jobs to Windsor. That is what business is doing. They are not thinking about leaving. They are creating jobs. They are doing things here.

If the member wants an estimate of what is happening—
Interjection.

Hon Mr Philip: I know the member does not want to hear and therefore thinks he can shout me. But if he looks even at today's paper, for example, the president of Imperial Oil describes the Premier as a pragmatic politician and says he is heartened by some of the new initiatives the Premier has taken. That is what the president of Imperial Oil is saying.

Mr Stockwell: If everything is so great, why are the unemployment rolls swelling so far? I do not think everything is great.

ONTARIO PUBLIC SERVICE SALARIES AND BENEFITS

Mr Stockwell: My question is to the Chair of the Management Board of Cabinet. Yesterday, as part of his—
Interjections.

The Speaker: Order. It is very difficult to hear more than one question at a time. I realize people are very enthusiastic about this topic, but I would appreciate if I could hear the question. The member for Etobicoke West is the person who has the floor.

Mr Stockwell: Yesterday, as part of his spending deferral program, the minister said, "We are aiming for low wage settlements in forthcoming negotiations with bargaining agents in the Ontario public service sector."

The minister's predecessor at Management Board used to be an OPSEU negotiator, and she was so tough with these unions that when she had his job the Treasurer kept

telling her it was the toughest recession we have faced, and the public service payroll increased by more than 14% and employee benefits went up by 20%. That was collective bargaining. That was no collective bargaining process; that was a love-in with his brothers and his sisters.

Now he wants us to believe he is prepared to play hardball. Why does he not tell the taxpayers the maximum pay increase he prefers? Why does he not tell the taxpayers exactly what kind of increase he is prepared to tolerate? Is it 1%, 2% or 3%? Is it a single digit? The taxpayers have a right to know. Why does he not let them in on the secret?

Interjections.

The Speaker: It would be very helpful if all members could co-operate so that the member who asked the question will be able to hear the response.

Hon Mr Silipo: First of all, let me say to the member something I am sure he is already aware of. He continues to talk about this 14% increase that was put in place last year and he knows full well, as do members of the House, that the 14% was a total amount that covered salaries as well as increased staffing that needed to be put in place to deal with increased pressures in the court system as well as the pay equity adjustments, and that the salary increases within that 14% were between 5% and 6%.

To answer his question in terms of what we are going to be doing, let me say very clearly that I said yesterday we are committed to the collective bargaining process. That means to me that we do not bargain collective agreements on the floor of the Legislature. We bargain them at the bargaining table.

I know very clearly, and this government knows very clearly, the kind of direction we need to follow. I think we will do our utmost and we will fulfil our responsibilities to get a negotiated agreement that is fair to our employees and fair to our taxpayers.

1430

Mr Stockwell: I understand exactly what came about to make up the 14%. Ask the unemployed worker or someone who is earning less than the average civil servant how much more it cost to run this government. The answer is that under this government, the payroll in this province went up by 14%. If the minister thinks that is acceptable, he is dead wrong.

The minister can understand the scepticism out there in the public. His estimates show that his operating expenditures are up by more than \$1 billion dollars, and 65% of that hike is due to a \$766-million increase in the amount the government is spending on salaries, wages and benefits.

Given the record, I doubt the public sector unions are exactly shaking in their boots with the thought of meeting the minister at the bargaining table, because it is not clear which side of the bargaining table he is going to sit on.

I ask the minister again, what is the bottom line on his public sector pay hikes? He should tell us the number and tell us exactly what he is prepared to give away. If he is going to hammer out a low increase, is he going to give up the right to strike? Is he going to cancel or postpone—

The Speaker: Would the member for Etobicoke West take his seat, please.

Hon Mr Silipo: I was trying to listen very intently to see how the question was different from the first time it was asked. I do not think it was, other than that of course the member has taken the opportunity to make a speech about various other bits and pieces.

Let me just say that we understand very clearly what we need to do. We understand and I think our employees understand very clearly the new reality, but we do not believe in resolving questions by coming in here and bringing in a maximum number. We also understand that there are other issues in terms of job security and various other issues that are going to be on the bargaining table. We will negotiate. We will negotiate hard. No doubt the unions will negotiate hard. And we will get, I believe, a deal at the end of that process that is a good deal for all of us.

Mr Stockwell: The minister refused to bring in a wage restraint program for 98% of his employees. He refused to bring in a restraint program for the broader public sector. He refused to tell us the maximum wage increase he will tolerate and pay for in the public sector. All we get from the minister are comments about the sanctity of the collective bargaining process.

The minister has a choice. He, personally, has a choice. He can either be a watchdog for the taxpayers or a lapdog for the public service sector unions. The choice is his. Why does he not stand up for once? Why does he not stand up for the people of this province for once and simply tell his big union friends that they have to live with a freeze? Other provinces have done it and it has not been the end of the world. Why cannot his government, with its special relationship with big labour, sell that idea? He can either fight for the taxpayers or fight for his union buddies who support his campaigns and work in his elections.

The Speaker: Would the member conclude his question.

Mr Stockwell: Who is the minister going to fight for?

Hon Mr Silipo: We are going to fight for the interests of the taxpayers and for the fairness to our employees that all of us, particularly we as government, need to demonstrate. That is the kind of leadership I think the people of the province expect from us, and that is what they are going to get.

I might add that we certainly have learned a few lessons over the last few weeks in watching the member's federal cousins and the way they have operated vis-à-vis their civil service. We do not intend to follow that example. We intend to deal with our problems fairly and equitably and to do it through the collective bargaining process, and I believe we can get to the solution we need through that process.

SCHOOL CURRICULUM

Mr Beer: My question is to the Minister of Education. Recently, the Organization for Economic Co-operation and Development issued its annual report on the Canadian economy. It confirmed what thousands of Ontarians who have lost their jobs or have faced the anguish of unem-

ployment or personal or business bankruptcy know, and that is that this economy is in serious trouble. In particular, the report underlined yet again the problem of a 30% dropout rate from our secondary schools.

What are the minister's plans to meet the needs of thousands of Ontarians who leave our secondary schools without adequate education, without appropriate skills and without hope for the future?

Hon Mrs Boyd: I want to assure the member opposite and this House that we take very seriously the situation in terms of retention in our secondary schools. We certainly agree that it is a major issue for us as a society to find a better way to, first of all, provide the kind of education our youngsters need as they go forward into a whole new era of economic circumstances.

There are a number of initiatives under way right now in terms of improving that, including the curriculum restructuring that is going on which concentrates on the need to emphasize maths and sciences and technological training, and finding ways in which we can shape both the curriculum and the way we deliver that curriculum to meet the varying needs of students throughout the province.

We also know that a lot of students drop out because of their social circumstances. They do not have the kinds of social and familial supports that make it possible for them to thrive in our school system. We are looking at the kinds of initiatives mentioned in the report *Children First* to try to give them those kinds of supports so that they are able to remain in school and to thrive in that system.

Mr Beer: I think, frankly, that answer indicates not only why our educational system is not serving those young people and why it is in difficulty, but also why the economy is in such trouble. Here we have a respected international organization, the OECD, identifying specific problems in the minister's educational system and calling for more funding and more training and more apprenticeship as the keys to economic renewal in this province. Instead, what we get back is a series of platitudes and a mumbo-jumbo of programs.

Yesterday we saw, through the Treasurer, that education is simply not a priority for this government. We saw it in terms of the \$13-million cutback at the post-secondary level and we see it in the lack of action around jobs and training and apprenticeship at the secondary level. Last week, Janet Halliwell, the respected head of the Science Council of Canada, stated that our educational system "is out of step with the economy's need for a technologically proficient workforce." She said it is simply unacceptable that the secondary school system "produces as many dropouts as it does university entrants."

This is a crisis situation. The youth unemployment rate right now in Ontario is over 20%. The Minister of Education is producing an underclass of young people without hope.

Will the minister commit to this House today that before the end of the current legislative session she will introduce a specific, detailed plan to drastically reduce the 30% dropout rate from our secondary schools?

Hon Mrs Boyd: I can certainly assure the member that the issue of retention is one that is specifically important and is specifically mentioned in terms of our economic renewal plan.

We do not disagree at all with the kinds of criticisms that have been levelled about the lack of action that the member's government was able to take in terms of a problem that is not new. It has been occurring over a number of years, and we are very aware of the need for urgent action.

What we need to do is to work that action in with the kind of work we are doing in our communities so that we have a buy-in from all the players. Our work on the Ontario Training and Adjustment Board and our work with our business and labour communities is an important part of that. That work is ongoing, as is the kind of work we are doing on our retention policies. I certainly hope I will be able to bring that in by the end of the spring term. That is my intention at the present time, depending on how the legislative schedule goes.

Mr Beer: On a point of order, Mr Speaker: The minister would want to know that the former government took many initiatives to address this problem. This government has had a whole year and has done absolutely nothing to address this issue. I know the honourable minister would want to know that.

The Speaker: That is certainly a point of information, if not a point of order.

1440

ASSISTANCE TO DE HAVILLAND

Mr Carr: My question is for the Minister of Industry, Trade and Technology. When he quoted, he forgot the headline on the last quote from Imperial Oil. It said, "Imperial Oil Plans to Cut up to 600 More Jobs." That is the most important part.

Let's go on to another problem. Yesterday, as the minister knows, the European Community blocked the sale of de Havilland. Federal officials have been quoted as saying—

Interjections.

The Speaker: Sometimes I think it was quieter in the SkyDome last evening.

An hon member: They had something to cheer about.

The Speaker: Yes, and something for everyone to cheer about. Right now, however, I would like to hear the member for Oakville South, who is waiting patiently to place his question.

Mr Carr: It is a little quieter—except when they booed the Premier last night; that was rather loud.

As the minister will know, the European Community blocked the sale of de Havilland. Some of the federal officials have been quoted as saying, "There is no alternative buyer." De Havilland has already cost the Canadian taxpayers in the neighbourhood of \$800 million. Will the minister promise this House that the taxpayers will not be forced to spend any more money on this company?

Hon Mr Philip: Numerous governments, both federal Conservative and federal Liberal governments, have spent a lot of money on this and other aerospace companies because they know that only through some government

participation can the aerospace industry exist in any country, and we have seen that.

It is unfortunate that we have had an unexpected decision. We have been in contact with my federal counterpart in Ottawa. We are also in touch with the officials of Aérospatiale Canada Inc and Alenia SpA and we are assessing the situation. I will report back to the member when some decisions have been made on that.

Mr Carr: The problem is that now that the company, the unions, the banks, the suppliers know the government is going to put money into it, there are not likely to be very many concessions. Instead of the company, the union, the suppliers and the banks working out a deal, they are waiting now for the government to pile money into it. The taxpayers are worried about the amount of money that will be going into it. The Treasurer made it clear yesterday that at least with the \$9.7-billion deficit, there is not enough money to go around. Yes or no: Will the minister get the stakeholders to get together or will the government be plowing more money into this company over this next little while?

Hon Mr Philip: The federal government, which has an even larger debt in percentage terms than the provincial government, was quite prepared to pour money into this company.

I can say that we will not walk away from this company. We are working with the original purchasers, we are working with the existing company and we are working with the federal government to do everything we can to save this important company and to save the aerospace industry in this province. We are not going to walk away from it.

ELECTROLYTIC EPILATION

Mr Owens: I was going to comment on the absence of the opposition leaders, but as they are usually not here when they are here, it does not really matter.

My question is for the Minister of Health. She recently announced that the—

Interjections.

The Speaker: Order. It would be most helpful if the member could identify the minister to whom he wishes to address a question and then simply place his question.

Mr Owens: I was in the process of doing that, Mr Speaker. My question is for the Minister of Health. She recently announced that the procedure of electrolysis was being pulled from the OHIP billing schedule. Can she explain to this House what that will mean in terms of dollars to the taxpayers?

Hon Ms Lankin: The procedure of electrolysis will be delisted from the OHIP schedule of fee benefits as of November 14.

[Applause]

Hon Ms Lankin: I thank the opposition. I know this is an issue a number of members in the House have had concern about.

On the amount of money, I think it is important for us to look at it historically in terms of what it will mean in the next fiscal year as well. Back in 1980-81, there were 21

physicians who were involved in billing for electrolysis and at that point in time in the province we paid out about \$16,000. That is not unlike the level of payments for this procedure in other provinces at this point in time, but that was in 1980-81, 10 years ago. In 1989-90, this had escalated to 121 physicians who were providing this service, many of those in the Metropolitan Toronto area, and the claims totalled over \$6.5 million. In fact, in this fiscal year we had felt it was going to reach the \$8-million mark. For next year, we believe we will save \$11 million from our budget.

It is an example of where we are trying to be effective managers of the system. We will have to make some tough decisions about those services that continue to be paid for and reallocate dollars to higher-priority areas.

GASOLINE PRICES

Mrs Y. O'Neill: My question is for the Treasurer. Mayor after mayor and retailer after retailer across this province has begged the Treasurer, and indeed almost every member of this Legislature, to think again before implementing the second phase of the gasoline tax increase of the 1991 budget. Such an increase, as the Treasurer knows, is to come into effect on January 1, 1992.

I remind the Treasurer that the resulting \$141-million revenue loss will drain the Ontario economy and that this gas tax directly and indirectly results in small business bankruptcies and an estimated 14,000 job losses. In Sarnia alone, six out of seven cars crossing the Blue Water Bridge to shop in Michigan include a purchase of gasoline during that visit. The direct impact of this has been the closure of more than one dozen gasoline stations in that city alone. Each member of this Legislature can point to dozens of such closures in their own communities, especially those members who represent border communities.

The Speaker: And the member's question?

Mrs Y. O'Neill: Will the Treasurer tell this House whether or not impact studies are being done? Has the Treasurer or the Minister of Revenue directed that impact studies, especially in border communities, be done before he imposes this second phase of what is a 30% increase in a regressive tax on a necessary commodity for businesses and consumers in this province?

Hon Mr Laughren: First of all, we did look at what we thought would be the impact of a gasoline tax increase when we were preparing the budget in the spring. While I understand the pressures in border communities and I understand the pressures in northern Ontario, where I reside myself, because of gasoline prices, at the same time it is my belief—as a matter of fact, I did a little bit of analysis on the taxes on gasoline—that we could wipe out every single penny of tax on gasoline and in border communities it would still be a lower price across the border in the United States communities. That would do what I think would be very serious damage to the revenues of this province.

I am sure the member was listening carefully to the member for Renfrew North a few minutes ago when he was expressing alarm about the potential loss of revenues in this province from retail sales taxes. We are not in a position to take action that is going to reduce revenues this

year in the province, given the enormous pressures we have on expenditures.

1450

Mrs Y. O'Neill: There seems to be some difficulty talking about different sources of revenue. The Treasurer certainly seems to be ignoring the fact that gasoline tax revenue is very directly related to sales tax revenue and that certainly people are very seriously considering and are indeed doing their Christmas shopping in another place than Ontario.

Given the devastating impact of this latest gas tax increase and the Treasurer's statement that he has done "a little bit of an analysis," I am afraid the people of Ontario are going to find that less than useful. Before the Treasurer imposes the schedule for January 1, 1992, I wonder if he will seriously consider cancelling that second phase before the impact of another price increase adds further to the crisis in the cities of Cornwall, Windsor, Sarnia and St Catharines, in fact all Ontario communities, but as the Treasurer and I know, the border communities of this province are dying.

Hon Mr Laughren: I am very much aware of the problems in the border communities. That is why there was established, with the federal government and the municipalities, a cross-border shopping summit, I believe it was called, which examined the whole question of the problem of people crossing the border to shop—to be fair, not just to buy gasoline. I concede that a lot of that does occur, but I do not believe a 1.7-cents-per-litre reduction in gasoline is going to resolve the cross-border shopping issue. That is not what I think is a solution.

The three levels of government, the border community municipalities, the federal government and the province, came to an agreement among all three on a package of marketing and education in the border communities that we hope will go some way to resolving the problem by encouraging people to shop in this province, because when they shop in this province—I know members of the assembly understand this—and pay taxes in this province, they are helping to pay for the services they receive in this province.

HUNTING IN ALGONQUIN PARK

Mr McLean: Will the minister with dual responsibility for natural resources and native affairs confirm that he has a draft agreement or a final agreement prepared, ready for signing, that would permit the Algonquins of Golden Lake to begin hunting in Algonquin Park after Thanksgiving weekend?

Hon Mr Wildman: I appreciate the question. As the member knows, negotiations started on June 15. We are very close to finalizing an interim agreement that will allow the Algonquins to exercise their aboriginal rights to hunt for food. Those negotiations have been long and complex. We have reached a draft that I hope will be satisfactory to all.

The draft recognizes the aboriginal rights of the Algonquins of Golden Lake and improves the circumstances of their lives, and I believe it will take into

account the concerns of non-aboriginal people in Ontario as well. I am committed to ensuring that the terms of the draft agreement will be shared with the interested parties prior to the province signing that agreement.

Mr McLean: Am I to take from the minister's answer that they may be able to hunt there after Thanksgiving? It is my understanding that he promised to involve third-party consultation in the process. There are many people I have talked to who have indicated that they have not been consulted, nor has the minister consulted, as he indicated he would, with third-party people. The ones I have contacted have said the process has not been creditable and were wondering how he justifies indicating that the process is almost complete when people I have talked to have said they have not been contacted.

Mr Wildman: Of course, I am not fully aware of and the member has not made clear the people to whom he has been talking. However, he will know that the ministry has conducted a series of meetings with third parties to discuss interim arrangements and other communications regarding interim arrangements have been carried out through mailouts, correspondence and key contacts within the interest groups.

The fact is that we are committed, as I said in my earlier response, to sharing the terms of the draft interim agreement with interested third parties before signing. We hope we will be able to involve them in a consultation that will determine what their views are with regard to the control of the amount of harvest, the areas where harvesting will be allowed, the dates on which harvesting will be allowed and the control of access using motorized vehicles. These are all issues that are very important to the people who consider Algonquin Park, as we do, the jewel of the parks system in Ontario and who also value the importance of resolving aboriginal issues in an equitable way.

The Speaker: The Minister of the Environment, with a response to a question asked earlier by the member for Brampton North.

FUEL SPILL

Hon Mrs Grier: I have a response to the question asked yesterday by the member for Brampton North. The member raised the issue of the response time from my ministry's spills action centre and said that "1,000 litres of gasoline leaked into the soil over the course of the weekend."

As I indicated yesterday, the spills action centre operates 24 hours a day and all calls are recorded. The first call received about the spill to which the member referred was at 1:56 on Friday, September 27. It was from Esso Petroleum and it reported that approximately 900 litres of gas had leaked on to the ground from a tank on private property. Esso indicated it had filled the tank with about 1,000 litres on August 28, 1991, and believed the tank to be corroded. At the time they called, they had a backhoe on site. The property owner subsequently confirmed to the ministry that indeed the leak had occurred over the past month and Esso has confirmed that at the time it reported the spill to the spills action centre the tank was empty.

Responsibility for fuel spills lies with the fuels safety branch of the Ministry of Consumer

and Commercial Relations. The Ministry of the Environment informed them on Friday and indicated that representatives of both ministries would visit the site as soon as possible next week. MOE officials visited the site on Monday, September 30, sampled the well water and no odour was observed.

Mr McClelland: I appreciate the minister's quick response to the inquiry that was raised yesterday. I suppose it begs another question, and that is—I do not want to use the word "discrepancy"—the uncertainty in terms of facts as relayed today with the information that was given to the property owner in question. The property owner in question maintained to us that there was certainly unclear direction.

I think the issue here is that it is all well and good that the minister is talking about it in terms of whose responsibility it is, but at the end of the day what we have here is a person in the province who called and was not able to access direct, succinct information giving him the assistance he required.

The Speaker: Your supplementary?

Mr McClelland: The substance of my question yesterday was, is the minister going to address the issue? She states the action hotline is available 24 hours a day. We have a situation where an issue was raised and apparently the succinct, direct information she is able to offer here today, and advice, was not available.

The Speaker: And the supplementary, please.

Mr McClelland: The question remains, will the minister ensure that people who call that action hotline will have a direct response that will be helpful to them?

Hon Mrs Grier: It was Esso Petroleum that called. They indicated that they were on the site and that cleanup could commence. I think the underlying issue the member has pointed to is that the jurisdiction is split between the fuels safety branch of the Ministry of Consumer and Commercial Relations and the Ministry of the Environment for empty fuel tanks. That is something that certainly in opposition I shared the member's concern about. I still do and have discussed it with my colleague the Minister of Consumer and Commercial Relations.

In this situation we are not talking, as the member indicated yesterday, about an immediate leak. We are talking about soil cleanup and I certainly agree with him that there needs to be a clear understanding of jurisdiction and response wherever and whenever that occurs.

PUBLIC SAFETY

Mr Cordiano: My question is to the Minister of Housing. As the minister would no doubt be aware, as she is a well-informed minister, the residents of my riding, in particular the residents of the Metropolitan Toronto Housing Authority buildings at Jane and Falstaff and the surrounding residents, have been subjected to an increasing level of crime and violence. In fact, the minister would know that this resembles a war zone, not just at this location but right across Metro and other places in the province. What we have here are residents who have been

subjected to problems that have erupted from the drug trafficking situation in the area and right across Metro.

I would ask the minister today to commit herself to making the realization of safe and secure homes a possibility for the residents of the area. Will she commit to specific steps to improve the situation at the MTHA buildings at Jane and Falstaff?

Hon Ms Gigantes: I will reply to the member that, as I come from Ottawa, certain areas in the city of Toronto are not areas I know like the back of my hand. I know there are many areas in Toronto, as there are in many cities, where we do have problems of the kind he has described.

Certainly within the city of Toronto the Metropolitan Toronto Housing Authority has put a good deal of effort into trying to address these problems in a reasonable and practical way, and the Ministry of Housing has been providing resources to communities where special problems have been identified. These are concerns I take very seriously, and I hope the member will feel assured that the ministry and this minister will continue to try to improve the situation.

1500

Mr Cordiano: The minister would like to know I have met with residents of the area on numerous occasions, and it is in fact a life-threatening situation for a number of residents. They are held hostage in their own homes by what is going on around them. They have been victimized. She would know that.

The previous government had committed funds to an in-house security project for the MTHA buildings at Jane and Falstaff, which apparently has been stalled by this government. I want to know from the minister if she is prepared to commit today to funding that program so that we can get that in-house security project moving. It is a model project for other MTHA buildings, and I want her commitment and assurance that she will do everything to make sure this moves along and will become a reality.

Hon Ms Gigantes: I think the member is mistaken to say that the Ministry of Housing has delayed any approvals of any allocations to proceed with the programs we are hoping to see in place in troubled communities. He certainly has my assurance that, as minister, I will do my best to make sure that the programs we are putting in place are going to be programs that will reassure people who have a right to feel that they are safe and secure in their homes.

Mrs Witmer: I would like to say, before I ask my question, that I am pleased that the electrolysis payments have been removed from OHIP, and I was pleased to bring forward the petition on behalf of the electrolysists.

LABOUR LEGISLATION

Mrs Witmer: My question is for the Minister of Labour. Earlier this week, the minister responded to my question regarding the proposed amendments to the Labour Relations Act by saying that he wanted to "involve workers and working people in the decisions that are going to affect them and the future of plants and jobs in this province".

I can assure the minister that I too strongly believe that all workers should have a voice in this important decision. That is why I would like the minister to tell us today why, in the preparation of the Burkett committee report, did he rely on union representatives to speak for workers in this province when in fact some 64% of Ontario's workers do not belong to a union and do not necessarily share the same views as union organizers?

Hon Mr Mackenzie: I think the answer to that is fairly obvious. The workers that are organized into unions had the expertise and the ability and the personnel to make their position with respect to the Ontario Labour Relations Act known, something that probably unorganized workers have not had the experience with, or indeed has ever been before the act, and it was the Ontario Labour Relations Act that we are taking a look at.

Mrs Witmer: I am very disappointed. The minister talks about equality and fairness, yet 64% of workers have not had a voice in this very important law. I can tell the minister there are many workers who have written to me and phoned or stopped me on the street to tell me they are very concerned about this proposal and the impact it is going to have on them. They are concerned about their individual rights and freedoms and their jobs.

What plans has the minister made to ensure that these workers who are not members of unions are going to have the same opportunity to participate in the consultation process as the members of the unions have already had? What assurances is he going to give these workers that their individual rights will be protected?

Hon Mr Mackenzie: I think the member is aware that there will be a consultation period and any group can appear before that consultation process. Following that, when legislation is actually drafted and brought into this House, I would be very surprised if the members opposite do not send it out to one of the committees. We will probably have a tour of the province by the committee dealing with any legislation as well. So it is fairly obvious there will be all kinds of ability to participate.

I would ask her, though, to tell us how we can assure who the unorganized workers she is referring to are going to report to and who they are going to represent, which is one of the reasons why you go with the organized groups in the deal.

PETITIONS

OATH OF ALLEGIANCE

Mr Henderson: I have a petition which reads as follows:

"We, the undersigned residents of Ontario, loyal to Her Majesty Queen Elizabeth II, Queen of Canada, petition the Legislative Assembly of Ontario to resolve that His Honour the Lieutenant Governor in Council be requested to revoke Ontario regulation 144/91 and restore the traditional oath of service to Her Majesty for police personnel in Ontario."

That petition is signed by several hundred individuals and I will happily affix my signature as well.

TOBACCO TAXES

Mr Villeneuve: I have a petition signed by 974 people and it reads as follows:

"To the Legislative Assembly of Ontario:

"Whereas the present high level of taxes on tobacco products are excessive and contrary to the interests of Ontario's two million smokers; and

"Whereas high tobacco taxes are contributing to retail theft and our province's cross-border shopping crisis; and

"Whereas the punitive taxes and resulting lost sales are contributing to inflation, as well as costing jobs in Ontario; and

"Whereas high cigarette taxes are regressive and unfair to low- and modest-income citizens;

"We, the undersigned, petition the Legislative Assembly of Ontario as follows:

"That Ontario's tobacco taxes should not be increased in 1991, and further, that these taxes should be repealed and a new lower and fairer tax be introduced."

I have signed this petition and I agree with it.

Mr McLean: I have a petition with 784 signatures on it. It says:

"To the Legislative Assembly of Ontario:

"Whereas the present high levels of taxes on tobacco products are excessive and contrary to the interests of Ontario's two million smokers; and

"Whereas high tobacco taxes are contributing to retail theft and to our province's cross-border shopping crisis; and

"Whereas these punitive taxes and resulting lost sales are contributing to inflation, as well as costing jobs in Ontario; and

"Whereas high cigarette taxes are regressive and unfair to low- and modest-income citizens;

"We, the undersigned, petition the Legislative Assembly of Ontario as follows:

"That Ontario's tobacco taxes should not be increased in 1991, and further, that these taxes should be repealed and a new lower and fairer tax be introduced."

As I said, it has 784 signatures and some of them are from my riding. That was from the International Plowing Match.

OATH OF ALLEGIANCE

Mr J. Wilson: I am privileged to rise today to present a petition to the Legislature of Ontario that reads as follows:

"Whereas the Queen of Canada has long been a symbol of national unity for Canadians from all walks of life and from all ethnic backgrounds;

"Whereas the people of Canada are currently facing a constitutional crisis which could potentially result in the breakup of the federation and are in need of unifying symbols;

"We, the undersigned, respectfully petition the Legislative Assembly of Ontario to restore the oath to the Queen for Ontario's police officers."

I have affixed my name to this petition also. It is signed by several people from my riding of Simcoe West, from the townships of Adjala and Tecumseth and the village of Tottenham.

1510

GOVERNMENT POLICY

Mrs Cunningham: I have a petition with over 3,500 signatures from people living in the London area which reads:

"We, the undersigned, petition the Parliament of Ontario, especially the newly elected members, as follows." It is a very long petition, so I am going to paraphrase it. Responsible government means listening to the people who have elected you. They are very concerned about the lack of proportional voter representation in Ontario. They are asking that Bill 8 be repealed and that the province have a referendum.

They want full disclosure of the costs of French education by local school boards versus the total cost of education by those same boards. They are asking for the total cost of bilingualism at all levels. They are asking that this government be prepared to deal with the unjust demands from Quebec. They are asking that it also be prepared to deal with possible Quebec separation. They also want the government of Ontario to prepare an economically sound working paper to deal with free trade.

I have paraphrased because it is very long, but I have signed it and I will turn it over for your perusal, Mr Speaker.

NURSING HOMES

Mr McGuinty: I beg leave to present a petition on behalf of some 14 residents of Ontario who have signed this form, and I have affixed my name. It reads as follows:

"We, the undersigned, request that the government of Ontario immediately rectify the inequity in funding between nursing homes and homes for the aged. We strongly support the Ontario Nursing Home Association in their efforts to provide better care for nursing home residents through increased funding."

ORDERS OF THE DAY

POWER CORPORATION AMENDMENT ACT, 1991
LOI DE 1991 MODIFIANT LA LOI SUR LA SOCIÉTÉ
DE L'ÉLECTRICITÉ

Resuming the adjourned debate on the motion for second reading of Bill 118, An Act to amend the Power Corporation Act.

Suite du débat ajourné sur la motion visant la deuxième lecture du projet de loi 118, Loi modifiant la Loi sur la Société de l'électricité.

The Speaker: By rotation, it should be a member of the third party. Did the member for Carleton wish to have the floor?

Mr Sterling: No.

The Speaker: Bill 118. We left off last day with the member for Renfrew North concluding his remarks on the debate. The member for Oakville South.

Mr Carr: This is a little sooner than I had anticipated, but I am pleased to rise and speak on this particular bill. I will not be speaking quite as long as the previous speaker did yesterday. It was rather enjoyable and, as I have often said, maybe at the end of my career I will be able to speak

like that, though as my wife said last night, "Don't do it when I'm around." But it is quite a talent, and I am pleased to speak on the debate. For those who were tuning in to see the member continuing, I am sorry but they will have to watch the reruns.

I am particularly concerned about this bill. I, like many of the members, was immediately approached by some of the people who are involved in my riding in Oakville. The people at Oakville Hydro called me with some very, very serious concerns they had. They were so concerned about this piece of legislation that they in fact tried to schedule a meeting between some of the members from the Halton area and the people at Oakville Hydro to discuss some of the concerns they had about this piece of legislation.

Unfortunately, on the date that had been selected for it, my friend the member for Halton North was unable to make it. It was during that period of time when the Toronto Transit Commission strike was on, and in anticipation of the legislation to bring those workers back, we had to cancel that meeting. But hopefully we will get a chance to get together and hear some of the concerns, because the group involved in that are people who have been around many, many years and are extremely concerned about pieces of legislation such as this. They wanted to voice the concerns of the people who are in that area, I think principally to the NDP member who sits in the Halton caucus.

What they wanted to do was voice some of the concerns with all three of the parties so that we could bring them forward. So we have had some discussions and hopefully we will have some others.

One of the other reasons I am anxious to speak to this bill is because as the new critic for Industry, Trade and Technology I have had the pleasure of meeting with business groups and I will be meeting with labour groups and, quite frankly, anybody who wants to meet with me at any time to discuss some of the concerns that are out there.

When I sit down with some of the members of the business community, some of the major users of energy in this province, they are extremely concerned. I was quite surprised on where the supply of energy ranks with the business community in this province. It ranks very heavily with some of their major concerns that are going on in this day and age. Of course, they talk about all the other logical things—the taxes and the regulations—but they are very concerned about having a supply of energy in this province second to none. As you look at it, this is probably the single biggest factor in our history for having such large manufacturers come to our province. We did have a tremendous amount of energy to supply our industries.

Some of the tours I have gone on were interesting—the people at St Lawrence Cement, for example. I went and toured their facility in my part of the riding where they produce, in tremendous quantities, the cement that is needed for this province. I was amazed at the amount of energy they expend on a daily basis. It is their single biggest cost. When you drive by right now, you will see the piles of coal there. When you get in and get a chance to see what is happening in that industry, you understand very clearly why they spend so much energy. It is more than

they spend on personnel or any other factor, even raw materials.

When you get in and see the furnaces, I guess we would call them, you see the tremendous amount of energy expended. We had an opportunity to put the masks on and go in and look at the actual operation. When you look in the furnaces, it is almost like looking at the sun close up; all the material inside is bubbling. It is very clear why businesses like St Lawrence are so concerned about energy, because that is in fact what allows them to make their products. While they have made some great strides, and companies like that are attempting to do even more to make themselves energy-efficient, in the long term they are concerned about what Hydro, and indeed as a result what the government of Ontario, will be doing. So it is also as a result of being the critic for Industry, Trade and Technology that I am so concerned.

In addition, I had a chance to meet with some of the people involved at Dofasco. Of course, in steelmaking as well energy is a very big factor in the cost of production.

When we look at it in a day and at a point in time where businesses, large and small, are doing everything they can to make themselves more productive and to reduce operating costs and to get more efficient, the supply of energy is going to be a critical factor in our ability to compete over the next few years. What we have to do as a Legislature and what this government has to do is make sure we have the energy and the supplies necessary. Quite often what happens with energy and the whole supply is that we take it for granted. When we realize how fortunate we are to have such an abundance in this province, as a result of that we tend to take it, like a lot of things, for granted, because it has been so prevalent in this province.

I think more of us who have not been involved have taken the energy of this province for granted, but the business community is saying very clearly that it is concerned. I have had a few calls. Some of the people have voiced concern about this bill, because in a day and age when people are a little sceptical of politicians and the political process, one of the comments people are making is, "In this critical period we would really like to have the people making the decisions the people who are the experts."

I thought this government would have seen it is almost natural that the people who can best decide what needs to be done are not the people who sometimes only look to the next election and look for narrow, quick fixes to problems. We should look to some of the people who have been in the industry for a long time. That is not the politicians. I guess politicians, if they have one fault, try to get involved in things that are beyond their expertise, and the worst part is they often come across and try to say they know more than some of the people who have been involved in it.

1520

So it is with this bill. At a time when the people of this province are mistrusting of politicians and the political process and parties, when it comes to energy and trying to encourage more confidence in the system by moving more of the responsibility to elected officials, the government is indeed hurting the confidence out there.

I think this goes to the root of some of the scepticism that is out there, that this government comes in and the first thing it does is attempt to tell the people at Ontario Hydro what is best for the people of Ontario. If you ask the average person, "Who would you like to make the decisions on your energy future?"—and let's be blunt about it, we are not talking about something long-term where if we do not make the right decisions we may have the lights dimmed for a little while; we potentially could have serious blackouts in Ontario as a result of decisions that are being made. They are critical decisions.

I as an individual would feel much more confident having the decisions made by some of the people who are the specialists in that area, some of the people who, when you look at the record of Ontario Hydro, have been with that corporation for many years. If anybody is to look at the statistics, he will know very clearly that people who work for Ontario Hydro stay there for long periods of time. It is ironic that we have a former Hydro employee coming up now as we speak about that, the fine member for Lanark-Renfrew.

The fact is that in Ontario Hydro we have a tremendous amount of expertise. It is not an area where there is a great deal of turnover. People come in there and progress and become knowledgeable, similar to my seatmate who got in there and now understands it more fully than, I suspect, anybody on that side of the House does or ever will. He has a tremendous grasp of what needs to be done and how it needs to be done. I was interested in listening to his comments as a former employee on exactly what needs to be done.

As I reflect on it, the confidence of the people of this province rests on this minister's shoulder. I can say clearly that I am very pleased to have my seatmate, the member for Lanark-Renfrew, here to be able to keep this government on its toes, because he will be doing that continually. I hope the minister will get a chance to reflect on some of his comments as a man of a great deal of experience. It is not only people like the critic for the Conservative Party but indeed all the people at Ontario Hydro whom we should be listening to more than the government of the day, which looks at things from the short-term quick fix, "How am I going to get elected next time?"

In fact, the problem is that when the lights go out and there is no more safe supply of energy in this province, the people who have made the decisions will be long gone, well off into the night—and so they should. I think what is going to happen is that some of the decisions they make now, in this field more than any other, will not affect us till down the road a little. In fact, it probably will be a few years until the actions that are taken by this government start to ring through.

The problem with the public is that the government of the day, when the Conservative Party is back in power, will be the one that is going to have to clean up the mess from this government's decisions made way back on June 5, 1991. That is a challenge we look forward to. It is not just in the energy field; it is in a lot of fields that we will be there to clean up.

When my friend becomes Minister of Energy, I suspect there will be a great deal more confidence in this province, knowing we have somebody making the decisions who has had a background at Ontario Hydro and knows what is happening. Because it is very scary to have the situation we have now, where this government is making major fundamental decisions that will be affecting the business community, affecting all the jobs—unionized and non-unionized jobs—and all the people of this province with their energy demands. There has been, over the last little while, no regard for some of the fine people at Ontario Hydro who are making the decisions.

If we look at what this bill basically is, it has a fairly simple intent. The bill is an attempt by the Minister of Energy to exert more control over the operation of Ontario Hydro. As my friend and seatmate the member for Lanark-Renfrew has said, it is a dark, dark day when that happens here in the province. He was right. This is nothing but an attempt by the Minister of Energy to exert more control over the operation of Hydro.

At a time when people are sceptical about politicians and their political ability to make the right decisions on very simple issues, when it comes to the complex decisions that need to be made to ensure that the lights stay on in this House the people do not trust the Minister of Energy as much as they do the people right across the street down at Ontario Hydro.

With regard to some of the decisions that have happened over the last little while since the government came in, the people at Ontario Hydro, I think to their credit, have said: "We're not going to sit back and take it. We're going to make some moves to ensure we have control." I had the opportunity to meet the former chair speaking at, I believe, the Canadian Club. Some of the people at Oakville Hydro had put together a meeting with him to discuss some of the problems. At that time, we had a chance to chat on some of the directions of the government. I remember him talking. It was very early on, because it was probably right around this time last year, if memory serves me correctly. They were just getting into it with the new Premier. I think he had already had the meeting with them and they were just getting to know one another.

As I sit back and reflect on it a year later, if someone had told me a year ago that this chairman would be out and that we would be looking at Bill 118, I would have been absolutely and positively flabbergasted. To all those people who are out there saying, "This government has moved fairly slowly; it's consulting," I say that when it comes to bills like this the government knows how to move very quickly.

The ironic thing is that unfortunately it is not quickly in the right direction and it is not what the people of this province want. We have very little input from some of the fine people of Ontario Hydro. We have a Minister of Energy taking over from the previous minister, who says that he now will be making the decisions. Quite frankly—and no reflection on the minister's ability—to have political people who are elected making decisions on the energy that is crucial to this province is a very scary thought indeed.

I notice the former Minister of Energy has come in. Again, it is no reflection on the individuals, because they

have some talents in different areas, but when it comes to something as fundamental as the decisions that need to be done in the critical areas of energy, then I think most people of this province would say: "Thank you very much, politicians. Stay out of it and leave it to the people who have the better expertise to do that."

Because when it comes right down to it, a lot of the decisions that are made in this ministry are not even made by the minister. They are political decisions made by some of their assistants. Again, that is no reflection on the former minister, the member for Peterborough, or the present minister, but the fact is that fundamental decisions are being made in this province by people who are unqualified.

Instead of recognizing that and saying, "What we should be doing is trying to get more expertise"—it is going to be critical enough to make the right decisions. It is going to be tough enough to be able to meet the challenges with the most qualified and best minds of the men and women who work right across the street. Even if we did that and listened to some of those people who have years and years of expertise, it is still going to be very difficult to meet the demands as the province grows, as our demands grow and as the economy hopefully expands over the next few years. It is going to be interesting to see exactly what direction this government takes.

Maybe as a result of some of the things, we are not going to need as much energy. Some of the statistics that are out there today and the one we heard today about industry wanting to leave are very clearly the result of some of the policies of this government. Instead of recognizing that and saying, "At least in the field of energy we will leave it up to Ontario Hydro and to the experts who have many years of expertise," they just reinforce what people are saying about these people, that they do not care as much for long-term planning as they do short-term fixes.

Essentially what happened with this bill is that the government got in a fight with Ontario Hydro of the day, and as often happens in fights like that the rhetoric got moved up. Ontario Hydro said: "No, we're fighting for the people. We want a long-term secure supply of energy in this province, so we are going to do what is right." To those people I tip my hat and say, "Congratulations to you." That is what the people want. They want them to be able to stand up to politicians, because politicians need to know very clearly that they are going to be challenged on issues.

1530

But what happens as a result of some of the challenges is that the government of the day notches it up with this bill and says: "Okay, we're having a little bit of a problem with you. You're the ones who are kicking up some of the problems and embarrassing this government." It is ironic that it will embarrass them more by taking over control, which is what this bill does. When the lights go out, they are going to be extremely embarrassed by what happens in this province.

The rhetoric was moved up and lo and behold along came Bill 118, which will allow the Minister of Energy to issue policy initiatives to direct Ontario Hydro on what should be done in this province. When we talk about the hands-off approach and staying separate, between the

elected officials and Ontario Hydro, the people want Ontario Hydro to make the right decisions. To all those people who went out on a bit of a limb—I guess they did, because some of them will be moving on—I think at the end of the day the people of the province will say, "They tried their best." As a result, this bill's coming in will be, as my friends from Oakville Hydro say, very significant. It is very scary to them.

The feuding that went on—I guess it was around last November—started with the speech from the throne. Instead of sitting down and consulting with the people at Ontario Hydro and saying, "This is what needs to be done"—in fact, in the past it has been the policy of the governments to do that. There have been more studies about what needs to be done for long-term viability of energy in this province than probably needed to be done, so they were all there.

Instead of trying to implement some of the solutions that were there, this government of the day decided to turn things around and change directions. When the former Hydro chairman left last March, I certainly would have loved to be a fly on the wall during the discussions between the Minister of Energy of the day and the former chairman.

Then we had the new chairperson come in. He came in and took over and moved very quickly in trying to get Ontario Hydro to change what is happening.

When we had our discussions with the people at Oakville Hydro, they said one of the things they wanted was for us to take a look at what some of the people from the Municipal Electric Association are saying. Of course, as the minister will know, they put together a very detailed brief on some of their ideas and concerns. That particular group is made up of some of the stakeholders who have literally generations of experience in this field. They are concerned about where this government is heading with this bill. I think as we reflect on some of the comments they feel are necessary at this time, we would do well to listen to some of the concerns.

Ultimately, I guess, at the end of the day the politicians will be the ones who will take the heat for the decisions. I am certainly not advocating that we listen to everybody all the time, but there are some very valid points that are being made by some of the groups like the Municipal Electric Association. As most of the members will know, they did a fairly detailed brief of what they see in this bill.

When I read it, very clearly I think their first line says it all. In the detailed brief that they put together, I think fairly quickly, they call the bill a flawed piece of legislation. They say—I agree with this—it will set a dangerous precedent and has the potential to turn electrical bills into a new tax grab by the provincial government.

In a day and age when we are a little bit cynical about politicians and the political process, instead of the government's coming out to the people of the province and saying, "Yes, we know we've got a deficit. We know it's at \$10 billion and people are literally protesting in the street about it, but we still believe there are some changes that need to be done. Some of the programs that we want are going to cost some money and here is how we're going to

do it," it attempts to hide some of the figures and some of the costs, buried in Ontario Hydro.

That is not the only area it is done. When we look at and get a chance to see some of the books, with things like the unfunded liability of the Workers' Compensation Board and some of the other costs, the fact of the matter is that this province is in worse financial shape than most people even realize with the big deficit as it is. I do not want to scare anybody, but when members get a chance to look at it and see where some of the problems are, it is even scarier.

That is essentially what some of the people in the field feel this government is attempting to do. As many of us know, Ontario has had a long-standing policy of power at cost. It is a policy that has worked very successfully and allowed the corporation and the people of Ontario to plan for the long term. That is really what we are talking about: long-term planning. Unfortunately in this day and age most politicians look at the short term and think more about the next election than they do about the next generation.

This long-standing principle will be changed, as I read the bill. There is no doubt it will force rates up. It not only will result in economic hardship for Ontario residents and businesses but will also discourage the much-needed growth. With all the factors that we heard business being concerned about today, this bill will do nothing to alleviate them. When people get a chance to really understand where this government is headed and what direction it is going with this, I think it will make them even more concerned than they already are. That is hard to believe in this day and age, because the confidence factor in this government is so low as it is.

One of the reasons we have been successful is that we have been able to plan for the future and we have been allowed to have power at cost in the province. I think it should be very much concern to everyone. There is no one who does not at some point in time consume some of the energy needs that are met by the province, so it will be one of the big, fundamental concerns of people over the next little while at a time when because of the high tax situation, it is more expensive to live in Ontario.

I guess now we go well into August, if you include the deficit, to pay taxes in this province. On top of that, the consumer bills, some of the things you pay for like energy costs, will be going up as a direct result of some of the changes in this bill. I do not think that is fair to the people of the province who have always counted on this special relationship of having power at cost.

Bill 118 changes the fundamental relationship between the provincial government and Ontario Hydro. There will be more government involvement at a time and a point in our history when many of the crown corporations are trying to be more decentralized and to move away from government control, certainly at the federal level, where they have attempted to say, "No, we're going to let the people with the expertise make some of the decisions."

That is probably as a result of some of the modern management techniques that are now prevalent, the decentralized approach where you try to get the decisions down at the lower level where the people who are best able to do

it make the decision. That is happening right across this province, on the shop floor at the Ford Motor Co in Ontario, where they are listening more to the people and not making decisions at the head offices. That is the same for the small butcher shops that are out there that have people working for them. The decisions about how to operate are being made closer to the actual people making the decisions.

Here we are: all the modern management techniques that are out there and have been talked about for many generations, whether they be by the Peter Druckers or the Chester Barnards; all these techniques about decentralizing control. But when it comes to government, we do the reverse.

I think in this day and age there are not too many people who do not know that the old ways of doing things are out, some of the techniques that have worked in the past with regard to management and management style and management philosophy. Now people are learning very clearly at an earlier point in their career how to properly analyse situations, how to take corrective action, how to implement solutions and how to sustain them. That is happening on every shop floor right across this province by the well-run progressive companies out there.

1540

It was interesting that yesterday as we met with some of the people in the Ministry of Industry, Trade and Technology over the estimates, they actually put on some of the management programs that are out there for companies to help them worry about quality, to be more efficient and to look at their operations. Of course, you know what happens when you do that: The people become more involved. It goes right back to the fundamental principle of enjoying your job more. There were the old days of, "You go do this and report back to me in 15 minutes," and, "Here's how you do it; come back and then I'll kick you if you don't do it right." When it comes to the shop floor, when it comes to the businesses, progressive businesses are taking a different approach.

When it comes to government, though, we are centralizing everything. We are saying, "No, sorry." I hate to think how many years the employees with experience at Ontario Hydro would be there. Instead of saying, "No, you people have an idea," and "Yes, we are going to set the policy directive because it is an important function, but you people are going to be able to make the decisions," we try and bring it back into the government of the day. Regardless of the political stripe or which party it is, I think the people of this province believe it should be done closer to the source.

Here we have a government that comes in and says, "We are listening, we care and we have met with more business people than anybody else." I think the Treasurer said that this morning. At a time when people are being a little more decentralized in their philosophy, we go and do the exact opposite.

I have had a chance to have some very good discussions with some of the people on the government side when they were talking, and I think back to some of the discussions we had about getting more involved. I am thinking of the member for Chatham-Kent talking about more involvement. He was one of the representatives with

the union. At a time when we are talking about doing that and getting more labour involvement with business and so on, when it comes to the government of the day, it is trying to centralize more control into the hands of the people who are least able to make the decisions.

I think that is what concerns me more than anything else with this piece of legislation. It is ironic that at a time when we are championing more involvement with people and on the one hand saying, "We are listening," on the other hand we are taking more powers back to us. As I look at it, I think that is more of a scare to me than any of the actual pieces of legislation, because it goes to the fundamental principle of this government: They believe very clearly they can make decisions better than some of the people across the road.

Bill 118 changes Hydro's mandate to include anything the government says. Regardless of what the programs would be, this government will, through the actions of this bill, allow it to have more control over what is happening. Some of the provisions are of concern to some of the people. As I flip through it and look at some of the sections, section 2 of the bill, subsection 9a(1), permits the government to issue binding policy directives to Ontario Hydro on any matter and basically says that it has, if I can use the term, *carte blanche* to do whatever it wants. At a time when we are talking about consulting and having more involvement from the people at the lower levels, it introduces this section of legislation which basically says: "No, that is not the way it can be done. This government will have final authority."

Also, section 6 of the bill will allow the government to change Ontario Hydro's mandate by decree. Regardless of whether they have confidence in the present minister, the past minister or any future ministers who might come along, the people of this province say they are concerned about anybody with that much knowledge having the ability to make the decisions. Quite frankly, I think that this comes to the centre of it, and I hope that other pieces of legislation will not come in other areas where the government of the day says it believes it has more control. As I pointed out earlier, the modern management techniques and the progress of the 1990s and all the things that some of the members opposite champion should be to get more involvement, not less.

One of the groups that is concerned, the Municipal Electric Association, has about 312 municipal electrical utilities representing about 75% of the electrical consumers in this province. I would encourage the minister and the parliamentary assistant and the former minister, who is here listening intently to my every word, to be able to point that out to the present minister, because I suspect that the parliamentary assistant has a great deal of influence with the present minister and we will use some of the year's experience of the member for Peterborough in passing that on to the minister. I hope they would be considered very seriously and, if this minister decides not to implement some of the things that have been recommended by some of the people like the Municipal Electric Association, he would say very clearly why not.

I personally would like to see them go through point by point in this Legislature in conjunction with all the people here, and if they are not going to proceed with some of the changes that have been asked for by some of these organizations, they should explain to us very clearly why not. I think they owe that to the people representing 75% of the consumers.

The association has worked hard for many years and, like the rest of the people of this province, it believes in the two long-standing principles that I think are fundamental to this whole question. That is that public power should be power at cost. To put it simply, the Municipal Electric Association believes in a system of municipal public utilities that will provide a safe, reliable supply of electrical power to the people of Ontario, the consumers, the businesses and the people using it. They are the ones who pay the rates based on the actual cost of producing the power, not as a result of some of the other programs that may be put in there.

I think, regardless of their political stripe, people are saying they do not want any more government involvement. As we sit back and reflect on what some of those changes will be, and I know the government's office has said it is not going to change that much—it is there but we are not going to use it—I say the public does not buy that. They know very clearly if the power is there, they are trying to grab the power for one reason and one reason only, because they would like to exercise the power. I think that is what is going to scare a lot of the people of the province.

The brief that came from some of the people in the Municipal Electric Association was an attempt to try to be constructive, to explain how the bill will influence and change the concept of power in Ontario, and I hope the members opposite will take a hard look at it. In this day and age, we need to be aboveboard and clear in our intentions because we do not want to see any taxation or any programs that are hidden go through the electrical bill.

Most people, when they see the hydro bills coming in, do not understand where the costs originate from, how all the costs are entailed or what the decisions are. They want to know something very, very plain. They want to know there is going to be a supply of power in this province and that they will be getting it at a reasonable cost, which is a cost that is not inflated by any other programs of the government.

If the government is going to do that, it should put it into the established programs that are there, start a new fund, whatever it wants to do and at least allow the people of this province to know exactly what it is doing. Do not hide it in electrical bills. That is why a lot of people are very concerned about this piece of legislation.

The act goes back for many, many years. We have been very well served. Changes have come about over the last little while, but the original intent was to really form a partnership between the municipalities in order to pay for some of the portions of the services rendered. Again, what we are saying is that in order to be successful and to have the supply of energy that is needed in the future, we need to have an era of co-operation, not confrontation.

Unfortunately, that is what this piece of legislation does. It does not do anything to alleviate the fears that are out there that when push comes to shove, this government will do whatever it needs to do in order to enact its agenda. I think that is a sad state.

1550

Most of the cost of Ontario Hydro has not been borne by the Ontario government. The electric utilities and the electric customers have, over the years, had a very, very prominent role in some of the decision-making process, and with some of the changes that are proposed here, that fundamental principle will change.

Members who have looked through it will know that Bill 118 contains about 11 sections, and three of them combine to fundamentally change the way that Ontario Hydro works. I think those three sections are very significant because they really do combine to fundamentally change the way Ontario Hydro works.

The people of this province and the members who may not have read this bill should know very clearly that this piece of legislation changes it fundamentally. We are not talking about a small cleanup piece of legislation here. It is going to change it fundamentally, and when you get into it and look into much of the detail—I will not spend too much time going through all of it today, but I would encourage some of the members to look at it, because when we talk about fundamentally changing something, I hope that all sides and all issues will be heard. Some of the points that have been made by the people at Oakville Hydro, the people from the Municipal Electric Association, should in fact and in deed be a part of the consultation process that is out there.

Some of the sections that concern a lot of the people and that I would encourage the members to look at very clearly are section 2 of the bill, section 9a of the current act, which was added to create the policy statement outlined. It is replaced with the following, and I will read it for the members who might not have had a chance:

“9a(1) The minister may issue policy directives that have been approved by the Lieutenant Governor in Council.

“(2) Before issuing a policy directive, the minister shall consult the board with respect to the content and effect of the directive on the corporation.

“(3) The directors shall ensure that policy directives are implemented promptly and efficiently.”

It is interesting to note what they mean by “promptly and efficiently.” With the wording in that, when I saw it for the first time, I thought when the government of the day snaps its fingers, the directors will have to act promptly, so it is interesting. Although they will consult, they also say promptly, and so the consulting process may be lost.

“(4) A director is not accountable for any consequences arising from the implementation of a policy directive under subsection (3) if he or she acted honestly and in good faith in relation to its implementation.

“(5) The board shall report to the minister whenever it exercises a power or performs a duty to which a policy directive relates.”

Again, where we had in the past a hands-off attitude towards it, the government wants to know what is happening.

They want to be continually looking over the shoulders of the people at Ontario Hydro to make sure that they are doing exactly what the government wants. As a result, what we may see instead of the long-standing practice of having power at cost and having an ample supply of power to meet the needs of this province, for whatever reason, whether it be through mistake or misguided policies or to be able to appeal to a particular special interest group, whatever the numerous reasons that may be out there, is that the government of the day may enact and direct Ontario Hydro to do something that really may not be in the best interests of Ontario Hydro and ultimately in the best interests of the people of Ontario.

I think that is who we are concerned about more than anybody else. In spite of the fact that we are obviously concerned about the employees who are now going to feel they do not have much input into what is being done, the real people I think we have to be worried about are the consumers, the people of this province who have been well served by Ontario Hydro.

This part of the bill, subsections 9a(1), (2), (3), (4), (5), means a provincial government can essentially issue policy directives that are binding on Ontario Hydro and they must be implemented.

It goes on to say that the Ontario Hydro board of directors, who are supposed to act in the financial interests of the corporation, will not be held responsible if the policy directives that are forced on them turn out to be not in the corporation's financial interest, and that is something that has been different from every other corporation.

As a director, supposedly what you are supposed to do is look after the interests of the corporation because if that prospers and flourishes, then in turn you make sure that your customers are happy, your suppliers are happy, the banks are happy, your employees are happy. Everybody is happy if the directors act in the corporation's interests.

I think that is one of the problems with this government. It had somehow thought that people at the top—in terms of the top I mean some of the directors—would not be acting in the interests of some of the people, whether they be the customers or the people working there. But very clearly, as a director, if you have the corporation's interests at the forefront, that is what will help the employees and ultimately your customers. I think we have learned something very clearly. If a corporation's financial house is not in order, then the people that suffer are the employees when that company goes out of business or cannot meet the bills. We have seen too much of that in this province.

It is kind of ironic that we are asking a government to become more involved in the financial interests of Ontario Hydro at a time when it cannot even get its own house in order. Some of us in the province would feel a little bit better if we thought that this government had the ability to manage properly, but as we saw through its management of all the things, whether it be the bills that were introduced going back or I think more fundamentally the budget and the financial matters—here they are saying, “We're going to have more control over Ontario Hydro,” yet when we look at what they have done with

the province, they have thrown the province into bankruptcy in one short year."

We all know the statistics. In four years they are going to double the debt, but here they say: "Trust us with this. We are bad managers, yes. We're going to double in four years the accumulated deficit that the province had through its entire history and we're going to run up the biggest deficit in the history of the province, in the history of this country. But when it comes to Ontario Hydro, trust us because we're good managers." I think the credibility is very far stretched.

If this had happened a year ago, even before the budget and the fiascos and the mismanagement of everything from the oath to the Queen and some of the scandals that have been out there, then I think the people might even have been at that time willing to say, "Well, maybe they can manage it," but when they see one year later what this government has done in terms of being able to manage, then they are very sceptical.

Of course, people will remember what I said yesterday in my statement about the Minister of Community and Social Services, where we could not even get a letter to the minister to get an appointment. Three letters were lost. Here we are, in a ministry as important as that, which I guess has, combined with Health, well over half the spending in the province and we cannot even get things into the minister's office for the minister to get a simple reply out so people will know what the heck is going on. Yet they say: "But when it comes to Ontario Hydro we want more control. Trust us, because we're good managers."

I say very clearly the people of this province are sceptical and I suspect even their own people are very sceptical about the ability of this government to manage. When they came in, there was a wait-and-see attitude on some of the concerns out there for the management of this province by this government. Very clearly now that has changed and people are saying, "These people are having difficulty managing their own ministries, their own government, and we do not want them more involved through policy directives in Ontario Hydro." I think that is why people in the province are more scared of this piece of legislation.

The question I think everybody asks about this is, "If you're not going to use it, then why put it in there?" Very clearly the government wants to be able to force Hydro to carry out any of the government's directives, no matter what they are and whether they are financially sound or not. When the minister says "jump," Ontario Hydro will say, "How high?"

I hope that through all this the fine people at Ontario Hydro will continue to do what they believe is in the best interests of the people and not in the best interests of a political party and the government of the day, which may not be around four years from now anyway. I do not know how we can alleviate some of the fears and concerns of those who are working for Ontario Hydro, but very clearly this government is going to act and that is why it wants this in.

1600

Further, I think this section, if one were to reflect upon it, could lead the Hydro directors to refuse to act

on anything that is not decreed through a policy directive, in order to protect themselves from liability. We have introduced confusion into it. Instead of worrying about long-term planning and what needs to be done to secure long-term viability of energy in this province, we now have directors, and the people at Hydro are questioning exactly what this government is up to. The situation we are facing nowadays is adding to the confusion out there and I suspect that is going to create in this province some very serious problems.

Section 6 of the bill adds a new section. For those members who have not read it, I will read it:

"56ba(1) The purposes and business of the corporation include the objectives set out in any policy directive issued under subsection 9a(1)." That, I talked about.

"(2) Compliance with a policy directive shall be considered to be in the best interests of the corporation.

"(3) The corporation may do such things as in its opinion are necessary, usual or incidental to the furtherance of the objectives set out in the policy directive."

Very clearly, if members read through that and try to go through it, it essentially says that the government of the day will have the final decision and will decide how it is going to act. In a day and age when we are talking about more decentralized control, when the people closer to the action should be making the decision, this piece of legislation is directly fundamental to what most of the modern and progressive businesses and companies and governments of the day are doing.

This section of Bill 118 changes Hydro's mandate to include anything the government forces Hydro to do under a policy directive, meaning that Hydro's mandate would be determined by government decree, not by its relationship to the original objective of the act, the supply of electricity. It also repeats the protection of Hydro directors from liability.

Ontario Hydro should only be able to exercise power and undertake duties that are authorized by legislation. However, this section of Bill 118 would mean that the essence of the Power Corporation Act can be changed by policy directive rather than through the democratic process of legislative debate and amendment. Any time that particular change comes in, there will be a great deal of debate from myself, because I think it is fundamental to the principles.

That touches on some of the other concerns that have been out there. I know my friend the Minister of Industry, Trade and Technology, who has come in, talked about that at length, with the regulations during some of the Police Services Act; also, as I mentioned a couple of times before, the member for Welland-Thorold.

The concern out there is that this sets a dangerous precedent in that it allows the government to bypass the safeguards built into the legislative process and to change Ontario Hydro's mandate by decree. As much as we sometimes get a little critical of how the legislative process slows down changes, the reason we have the process is that before action is taken there is a tremendous amount of consultation. That is why all the members were elected, to do whatever they can to ensure that points of view are heard, some of which I am outlining today.

This gets by that. This gets by and says: "No, we want to act in any manner we believe necessary. We are going to do that." I think some of the people who may be on the government side should be concerned about that, because somewhere along the line they are going to be on this side, and I think the fundamental principle of how we operate should be that the legislative process allows input from all the parties concerned.

When Bill 118 was introduced on June 5, the government said the provisions were similar to some of the provisions in the federal Financial Administration Act, and therefore it had a precedent. When members take a look at it, I do not believe that to be the case.

The government also indicated that the policy directive would only be issued in relation to energy conservation and demand-management programs. However, the current wording does not say this. I think if the public realizes one thing, it realizes that the government will exercise the largest amount of its authority whenever it deems necessary. On the one hand, the government cannot calm our fears and say, "Don't worry about it, we're not going to use it," because in so many instances that has not been the case.

Section 7 of Bill 118 amends section 75 of the current act, which deals with what Ontario Hydro can include in the cost of power to municipal electrical utilities. It amends this section by adding the following to what Hydro can do under subsection 9a(1):

"(ac) the cost of complying with a policy directive issued under subsection 9a(1)."

This part of Bill 118 simply means that the cost of the government policy directives will be borne by the cost of power through the rates we pay and through the rates that electrical consumers pay. That goes to the very fundamental principle which this changes, that power will be at cost. That is the section that says the cost of the government policies will be borne out in the cost of power through the rates you pay. That is where we should be concerned, particularly at a time when we know that the government of the day has difficulty managing its affairs.

When we add all these critical sections up, section 2, section 6 and section 7 of Bill 118 combined will fundamentally change the way Hydro does business and destroy the principle of power at cost. That is what people are concerned about, that it changes the very way Hydro does business and it destroys the principle of power at cost. If these sections become law, Ontario Hydro and the consumers, through their electricity bills, will become the provincial government's new source of taxation revenue. Anything the government wants to do, any program it deems necessary in terms of regional development and in terms of some of the social programs, it can order Hydro to do, and you pay for it through your electricity bill.

As I said earlier, what I think should happen, in my estimation, is that regardless of what the government does, it should do it through Ontario Hydro—or in fact any other government agency or board. It should be aboveboard, it should be honest with the people, and I would hope this would happen.

Under Bill 118, anything the government deems necessary it can order Hydro to do. The poor people on the board who historically would have been able to say, "No, we're not going to do that because it isn't within the financial interests of the corporation to do that," can no longer say no. That is why they take the liability out from them. They say, "Do it, but don't worry, you're not going to be held responsible." In a day and age when people are saying they want more responsibility from their elected officials, from the people running the companies and from their fellow workers, we are in fact saying: "Take that away. You won't have any responsibility for your actions. Just rubber-stamp it through. You're not going to be hurt through any of the liability." I think that is why they did it. Very clearly, if they did not, there would not be anybody who would be interested in serving on the board, although I suspect that anybody who has to operate under this is going to feel very constrained by the actions of this government.

It may be used for extreme cases; it may be used in simple cases. It may be used once a year; it may be used a hundred times a year. That we do not know. Only time will tell, but the people of this province should be very concerned that indeed it is in there. The government of the day can use the long arm of Ontario Hydro to implement anything by issuing an order in council stating that Hydro would be authorized to do anything it deems necessary. It would have nothing to do with the supply of electricity, but they could do it. One of the concerns people have is that this exercise of great power could be used by a government for something other than ensuring that we have a safe supply of energy in the province.

There are some changes that I think will be proposed, and some people have heard the member for Lanark-Renfrew talk about them. I would encourage the members opposite and the government of the day to listen to some of the changes that have been proposed, because there are some very key ones. As opposition parties, we look at a piece of legislation that has some problems and attempt to add some things to make it better and take some things out that make it better. This bill certainly needs a great deal of work. I hope the members opposite and the government of the day will be listening. They talk about wanting to have more involvement from the opposition parties, and it will be there.

In this case, we not only have an expert in the field of energy as a critic and as a politician—and he will point out some of the safeguards—but we also have somebody who knows first hand. He was on the front line. He has served the people through Ontario Hydro and knows through contacts what needs to be done. He is the one who has had to face customers, he is the one who has had to face employees, and this government of the day would do very well to listen to the member and his comments in terms of what he has suggested. If most of the members have not had a chance to listen, they should. In particular, the minister, who is new to the position and does not have much of a background in this field, would do very well to listen to the member for Lanark-Renfrew, as well as the parliamentary

assistant, the member who may know a little bit more about it after the year in power.

1610

I believe the debate that has gone on in this Legislature is important. I am concerned any time a government wants to act quickly. To quietly pass this piece of legislation—I can say the people at Oakville Hydro are on to them. I see my friend the member for Halton North has come back now. He was supposed to be at the meeting with the people from Oakville Hydro. We had that meeting and, as I mentioned earlier, when he was not here, it had to be cancelled. Hopefully, we will get a chance to hear the input and the member will be able to take that back or, more important, be able to defend the government's position if he does not. The people who were in that meeting were some of the people who have worked hard, some of the people who have run for the commissions. These are people who have had to put their seat on the line in the past when it comes to what they have done. As we get together with some of the members in our particular area, I would encourage some of the discussions to come out.

The members on the government side owe it to some of the people in their communities to explain very clearly why they are proceeding with this piece of legislation. I will be the first to sit and listen. I will help the member for Halton North if the people get too excited over this piece of legislation, because they are upset and angry. I will be there as support for him and any of the other government members who might need it. Very clearly, the people are on to them with this piece of legislation, and in this day and age the people who are going to be affected, the people who are working in the area, who have the expertise, are the ones who are going to be standing up and pointing out some of the flaws in this piece of legislation.

Ultimately, it is those people who are going to have the responsibility, because in this day and age when most of the other people are so concerned about some of the other pieces of legislation that affect them fundamentally, day in and day out, they are going to rely on the long-term decisions being made by the people who are associated in this field.

I have added a few points that I think would be helpful on that. I did have a little more, but I think those will be some constructive comments.

The last point I would like to make is that there is a tremendous number of people out there who know the situation, who are concerned about this bill. I would hope the government of the day will listen, because the future of the energy supplies of this province for consumers and for business is very critical. We as legislators should take our responsibility, as we all do, very critically on this piece of legislation, because what we do will have a long-term effect on consumers and business and ultimately in terms of jobs for the people of Ontario.

Mr Huguet: I listened with interest to the member for Oakville South, particularly to his comments around rate increases, current and future. I have to remind the member that the rate increase is really the result of decisions that were made in the past. More than half the rate increase is

due to the nuclear program. The lower-than-forecast performance of the existing nuclear stations has increased Hydro's costs significantly.

Darlington alone accounts for about one quarter of the increase this year, and customers will face additional increases when the rest of Darlington is brought into service. Moreover, they will be paying for the \$13-billion cost of Darlington over the next 40 years. The bill for past decisions must now be paid.

There is another point. In spite of the increases, Ontario's electricity customers face lower costs than customers in most other jurisdictions in North America. For example, the monthly average residential bill in Ontario is currently 29% below the average of other large North American electrical utilities. Even with the 11.8% increase for 1992, these bills are predicted to be 25% lower.

Ontario's industrial prices are also lower than US industrial prices. The government's goal, through its New Energy Directions, is to ensure that Hydro can keep future price increases as low as possible. Making customers more energy-efficient will also help lower customers' energy costs. The government has the ultimate authority to act in the public interest, and it will do so and ensure that the activities of Ontario Hydro are always in the best interests of the people of Ontario.

Mr McGuinty: I thank the parliamentary assistant for his statement and I thank the member for Oakville South for his contribution to the debate. One of the things that bothers me about this bill is the conclusion we have to draw, that the minister's conception of what power costs is somewhat different from my conception. Unfortunately his interpretation is purely subjective.

In particular we have to look at what happened at Elliot Lake. I keep coming back to this, but I think it is significant. Recently, as a result of a problem being experienced by the people of Elliot Lake, a problem which warranted consideration and attention from the government, this government directed Ontario Hydro to donate \$65 million to the northern Ontario heritage fund. It did that at a time when the existing legislation was in place. That legislation provides that Hydro cannot be compelled to do anything unless it is within its ambit of providing power at cost, so somehow this donation is deemed to be within the ambit of providing power at cost.

If that is power at cost, then I say the ratepayers of this province have a great deal to fear from this bill because of the particular interpretation being put on it by this minister. Just so we know what happened to that \$65 million, \$10 million of it was directed to be used for job creation programs. Approximately another \$10 million was used to pay off debts of two municipal councils, Elliot Lake and Blind River. Why are the Hydro ratepayers going to be saddled with those costs? Again, we are not against helping out the people of Elliot Lake in any way whatsoever, but that is an appropriate job for the government and not for Hydro.

Mr Stockwell: The first point I would like to make is that they cannot comprehend in the government that it was good business decisions and sound management that gave

us a low rate, decisions put in place that guaranteed us a low rate. The changes the government is legislating today will not guarantee that low rate. It will not be able to stand up and claim superiority in pricing to neighbouring jurisdictions. That is the kind of intelligent and thoughtful process that went into the operation of this facility.

Second, they will pass on the cost and the cost will be passed on to the consumer and the manufacturer and it will cost them more to do business in this province, which is another incentive to leave. They are leaving at an alarming rate because they do not trust the government and do not believe it.

Third, this government is gutless and spineless. When they announced the cap for their 2,000 highest-paid employees yesterday, the gutless and spineless group that they are no longer accept responsibility for setting the chairman's and CEO's salary. Why? Because their dip friend wants to make \$400,000 a year and they did not want to kick him off. Rather than setting the record straight and holding down the cost to Hydro and setting his salary at a reasonable rate during these recessionary times, they passed it off to the board, which he chairs and of which he is CEO. If the government is going to defend the decision it made yesterday it should defend it for all the bureaucrats, not just the people who do not happen to be NDP friends and affiliates.

1620

Mr Duignan: I have listened with great interest to the rhetoric coming from across the floor here. What we are doing is nothing different from what they did when they were in power, except for some very basic differences. What they did was in closed session, informal policy decisions with senior management. Who were those people? I believe they were Tory bagmen. We are opening up the process to the taxpayers of this province, making Ontario Hydro more accountable to the people for things that government failed to do, and when they had an opportunity, they failed to do so too.

The Acting Speaker (Mr Villeneuve): We now have had four participants, which is the maximum we are allowed. The honourable member for Oakville South has two minutes to reply.

Mr Carr: I would have liked to hear the member for Etobicoke-Rexdale, but he will probably get a chance to give it to me. I say to my friend the member for Halton North, who as I mentioned earlier was supposed to be at the meeting with Oakville Hydro, that I hope he will defend—

Interjections.

The Acting Speaker: The honourable member for Oakville South has the floor.

Mr Carr: Thank you very much, Mr Speaker. I hope my friend the member for Halton North will be prepared to say that to people like those at Oakville Hydro. He will be at the meeting. I say to the members I hope he has as much enthusiasm, because when I have talked to those people they have had as much enthusiasm as he does. Unfortunately it was against the bill. As I said earlier, I would like to be there to see the goings-on.

I hope he will be prepared to defend the bill before the people who really know, because those are the people who deal with it day in and day out. When he gets a chance to face them and defend the position, I would like to be there. I will be there to see it because I do not believe he is going to be able to defend it before the people who really know. It is a little ironic that the opportunity to defend it was not taken.

If I had been the member on the government side, I think I would have refused to meet with some of the people as well. I say they have a responsibility. It is part of the tough part of being in government. I think the members opposite have not listened to some of the points we made today in terms of trying to be constructive on some of the ideas. The ironic thing is that day in and day out the Premier champions that we want to hear from the people. They have one of the finest members who knows more about this field, having worked in it day in and day out on the front lines and yet nobody listens to him. This is a sad day. I just hope for my kids' sake the lights do not go out because of this government.

The Acting Speaker: I must remind all members that interjections are out of order, particularly when they come from members who are not in their own seats. Further debate, the honourable member for Niagara Falls.

Ms Harrington: I think it is very important for several reasons for me, as the member representing Niagara Falls, to make some comments with regard to this proposed amendment to the Power Corporation Act. First of all, Hydro historically for many decades, since the turn of the century, has been an integral part of our city. Also in a historical context, in 1987 I ran against the Minister of Energy, Vince Kerrio, the then member for Niagara Falls, on several issues with regard to Hydro, the matter of whether Hydro was out of control in Ontario and the costs of building the Darlington nuclear station, which are now reflected in the rates this province is going to have to pay.

I would like to start with the importance of Hydro to the city of Niagara Falls. Everywhere you go in Niagara Falls you see evidence of Hydro, whether it is the change in the flow of the Welland River—locally we call it the Chippawa Creek—in a reverse direction to the canal, whether it is the huge canal that is dug right through the heart of our city or whether it is the power stations along the face of the gorge. Hydro is very much a part of our city and owns much property within the city.

Of course it has affected the environment of the city. It has also affected the economy of the city, as it has very much affected the economy of this whole province. It is an integral and very important part of our economic future as well as our past.

In the 1920s the Sir Adam Beck No 1 station was built. In the 1950s the tunnel was dug and also the canal through the city, and I believe 10,000 workers were imported to the city. I guess many of them stayed. It was a great influx of money and economy to our city.

Even from the beginning of this century the abundance of power at Niagara Falls has caused our industrial base to prosper there. We have many abrasives factories which go

back almost to the turn of the century. Of course the future of all industry across Ontario, as well as Niagara Falls, is dependent upon a reliable source of power.

Right now the rates we pay in Ontario are less than comparable situations in the northern and central United States; 70% of the power we produce in Ontario is industrial or commercial power, 20% is residential and the other 10% is for farm use and other uses.

The reliability of that supply is most crucial to our future. I believe all the members as well as the general public know we are now facing a jump in the increase in the cost of power. We did last year, we are this year and possibly will be next year. By 1994 the rate should stabilize for the next 10 years.

There is one thing the previous speaker, the member for Oakville South, said which was correct, that we certainly must plan ahead. The increases we are facing right now are a direct result of the plans that were made by previous governments, and especially the cost of the Darlington nuclear power station. Just last night's Peterborough paper says, "Hydro is hiking its rates by just under 12%, or an average of \$7 per residential customer as of January 1. More than half the rate increase will go to pay for the \$13.5-billion Darlington nuclear generating station," so it is common knowledge that what we are reaping today is the result of these decisions that have been made by previous governments.

Besides that historical context, I would like to set this decision to go ahead with these amendments to the Power Corporation Act in the historical setting of this Legislature during the 1980s. Although I was not here during the 1980s I have some quotes, and these are directly from the Hansard of this chamber. I think this will give us a good idea of what has been going on.

First of all, I mentioned the previous Minister of Energy during the previous government was Mr Vincent Kerrio, MPP for Niagara Falls. This is what he said in 1983 when he was critic for Energy for the opposition party during the Conservative government of 42 years leading up to 1985: "Ontario Hydro is not only out of control. It is not only not accountable to this Legislature; it is not accountable to anyone."

The Liberal leader, Mr Peterson, quoted in the Toronto Star, said in 1983: "Ontario Hydro has been allowed to run out of control. It now has a larger debt than the government of Ontario."

At the same time as that article in the Toronto Star, Mr Peterson also said, "Ontario Hydro has been allowed to slip through the cracks of the legislative authority." That applies directly to what this government is now trying to do.

Let me continue. I like this quote because it is from another MPP from Niagara Falls. I hardly remember; this is before I even moved to Niagara Falls. Mr George Bukator said, back in 1969, "Hydro has become a monster that cannot be controlled by this Legislature."

I have a further quote from Patrick Reid, who was the Liberal finance critic. This is from 1982, and if one remembers back that far, when my children were small, we did go to see Star Wars. He said: "Star Wars must surely have been inspired by Ontario Hydro. I can think of no

other empire with the ability to strike back at the public with such impunity."

Further, in 1983, David Peterson said, "Hydro must be held to account and the direction of the monolith changed so that it will be a servant of the people rather than the master of its own fate." That is what we are attempting to do.

Vince Kerrio, again in that same debate in 1983 in this House, said, "The thing that Hydro does to justify its existence is to have nearly as large a staff in public relations as the Ministry of Energy has to run its whole operation." That is the context of Ontario Hydro.

Now we have a quote from the current Premier with regard to the environmental policies of Ontario Hydro. This was from 1983 as well. He said, "Ontario Hydro's decision to renege on its earlier commitment to put in scrubbers has created a credibility problem for Ontario and for Canada among some congressmen in the United States."

The government obviously was concerned about environmental policy—the Conservative government at that time, I believe, certainly would be concerned about environmental policy—and was trying, as I understand from this quote, to get Ontario Hydro to put in scrubbers at one or more of its plants within Ontario. The lack of will of Ontario Hydro to do that was at that time causing Ontario's government and possibly even Canada's government to not be credible with environmental people in the United States and, from this quote, congressmen in certain states of the US.

In effect, if Ontario Hydro does not believe that environmental policy, or whatever policy it happens to be, is important to the government of Ontario, it does not seem to feel that it has to go along with the policy. This is exactly what the amendments we are looking at now are trying to do.

Vince Kerrio again has a quote, "Ontario Hydro could be more aptly described as the Ontario Energy Enterprise Corp, probably under the mandate of Empire Builders of America." Also, "Hydro has done a very good job of frightening the people of Ontario into letting it do anything with threats—otherwise, the lights will go out." I think we have heard that a couple of times from the previous speaker this afternoon. It is very easy to threaten that the lights will go out.

Mr Kerrio concludes by calling it "a giant bureaucracy grown beyond any kind of accountability." This was in 1983 when he was the critic calling for the government of the day to bring some accountability to Ontario Hydro.

One other person, Jim Taylor, former Minister of Energy—and this is from at time even previous to that, in 1978—said Hydro's internal bureaucracy is so tangled that "often the chairman of the board doesn't have the decision-making potential you might think he has."

So there is quite a history involved before these amendments were put forward.

Finally, I quote from the Liberal leader of the day, David Peterson, in 1983, "The high cost of Hydro's nuclear plant construction is jeopardizing the very financial soundness of this province."

The rates, I have just read from yesterday's paper, are going up across this province, and it is due to what

Mr Peterson had said way back in 1983, what the previous speaker, the member for Oakville South, has said: that we reap down the road, years down the road, the results of the decisions that are made by Ontario Hydro.

I have shown from quotes from this chamber that these decisions by Ontario Hydro have not been controlled—maybe I should not use that word—they have not been as closely tied to the policy of the Legislature as they should be.

In the period between 1985 and 1987, Mr Kerrio was the Minister of Energy in this province. When I spoke with him in 1987, and we spoke publicly, I said: “Mr Kerrio, these are your quotes, when you were the critic for Energy in this province, about trying to bring Ontario Hydro under control. What have you done?”

Between 1985 and 1987, there was no piece of legislation in this House that had to do with Ontario Hydro. There was no attempt to answer the charges that had been laid in this House that Ontario Hydro was out of control. I think it shows very clearly that the time has come for the will, the determination, to do something about this.

I was going to mention one other angle on this, and that is the Ontario Energy Board, which is a board of people who are to be a watchdog, an adviser, to Ontario Hydro. What kind of role have they had?

Back many years ago, in the early 1980s, the board actually recommended directly to Ontario Hydro that it lower its public relations costs. Of course, we want power at cost, but do we get power at cost? No, we get power at public relations costs, plus many other costs. The public relations costs in 1981 were \$10 million. They escalated by 1983 to \$30 million. So what kind of input, what kind of advice would Hydro take from the Ontario Energy Board? It certainly does not look like much.

We asked, as many people asked, that the Ontario Energy Board have some say in the rates that would be set for Ontario Hydro. But no, it is only an advisory board.

In 1987, Mr Kerrio, quoted in our Niagara Falls Review paper, said, “If the board was in power to set rates, it would increase them to pay for the debt, and I wouldn’t want to see that shock on the system.”

We have to pay the debts, and we are paying them now. We have to face the music years later for the decisions that have been made before us. Because Darlington went way over cost, because policy was made behind closed doors instead of in the public domain, that is why we have higher rates now. I believe anyone looking at this whole situation rationally would have to reach the same conclusion.

It is now evident that this government, the New Democratic government, is the only government that can and will and is determined to bring this giant monopoly under control and stop the empire-building which has been going on for quite some time.

The whole reason for doing this is to better serve the people of Ontario. This bill will make Ontario Hydro more open, more accountable to the people, and will bring policymaking to the public domain.

I would like to finish with one further comment. With regard to the actual wording of the amendments in the bill, this is very important, because the future supply of electricity in this province is so crucial to our future and our

economic renewal that I think every phrase of this bill, of these amendments, should be examined in public. It is very important to hear from everybody involved, all of the stakeholders, whether they be industry or business, small or large, especially, I believe, the businesses in Niagara Falls, which depend so much on a reliable and cheap source of power, a competitive source of power. I think it is very important that we as a government make sure it gets out to committee, that we hear how this bill can possibly be improved, but certainly not take away from any of the basic thrusts of this bill, which have been so long in coming and which are so needed.

1640

Mr McGuinty: I enjoyed the member’s historical references to other members of this House who have levelled criticisms, many of them very legitimate, against Ontario Hydro.

I note also with interest that her references were coming from a book which I believe to be Larry Solomon’s book, a fellow from Energy Probe, called *Power at What Cost?*

Ms Harrington: I didn’t quote the book. I quoted only Hansard.

Mr McGuinty: That is fine, yes. I am not concerned with that.

I have a question for the member. If she has read through the book, the member will undoubtedly understand that Mr Solomon makes the argument that it does not matter if we change the players, that is, it does not matter if we put Hydro’s directors in charge of Hydro or if we put governments in charge of Hydro, because he does not have much faith in governments. His recommendation is that Ontario Hydro should be privatized. I would like the member’s opinion regarding that particular approach advocated by Mr Solomon. The member may be aware that in a number of jurisdictions throughout the world at present there is a trend towards privatization, and Ontario Hydro in some ways is a bit of a holdover from an earlier day. I wonder if I can get the member’s thoughts with respect to that particular approach.

I might indicate as an example, and I am coming back to Elliot Lake, that when we have given government an opportunity—and other governments have abused this power as well—to manipulate or to exert influence over Ontario Hydro, it has often been to the detriment of the ratepayers.

Mr Jordan: I would just like to talk for a minute on the phrase that is being used so commonly on the government side, that Ontario Hydro is out of control. What bothers me is that the legislation we are being asked to put in place does not indicate a solution to a problem, if in fact the problem existed.

What is the definition of a corporation being out of control? I cannot think of any utility or corporation or company that has been so investigated by all governments over the years. After a lot of money and time and contacts with personnel of the utility who have the answers for the government, after they do the study, then they find out that

in fact the utility has been doing the job that the people of Ontario have expected it to do.

I certainly agree with the member that there are departments in certain areas in any corporation that need to be turned around, that the management needs to be looked at, that the size of that division maybe should be scaled down, and that corporations, like the government with its 92,000 employees, are reluctant to scale down the staff. With Ontario Hydro, it is for the simple reason that it has a lot of very highly skilled technical people who I can assure members are not going to stay in Ontario unless we have work for them.

Mr Mahoney: I am a little concerned about some of the comments. I think it is always helpful to go back in Hansard and read comments made in days past. Hydro traditionally has been I guess what you would refer to as the whipping boy of the Legislature.

There is, I think, a general agreement that there is some need to get Hydro under control. I question how this particular act is doing that, really, when you think that the total debt of the corporation of Ontario Hydro is about \$30 billion and when you compare that to the debt of the province when we left office, somewhat unceremoniously, I might add, it was \$39 billion for the entire province. It is somewhat startling.

I recall many members of the NDP when they were on this side of the House—Mr Speaker, I am sure you will recall as well—saying that when the government states its debt position, it should include the debt for Ontario Hydro, yet past governments have been reluctant to do that. I assume this government, since we have not had a statement on it, is changing its position in that matter as well as the many other areas where it has changed and is not prepared to include the debt of Hydro into its total financial picture.

This government is using Hydro as a tool, as an instrument of social policy. When you take a look at the fact that they are using the dollars available in Hydro to solve problems of other social concern, whether it be in Kapuskasing or in Elliot Lake, instead of funding that openly and honestly with the people through the government debt, they are using Hydro as an instrument to solve social policy issues. I do not think we are going to see major changes under this particular legislation, and I wish the government would look at the debt financing.

The Acting Speaker: We can have one more participant.

Mrs Y. O'Neill: The member for Niagara Falls says that tying policies of Ontario Hydro to policies of this province is a good thing. I feel that is a very broad statement. I feel it could even be a dangerous statement.

Ontario Hydro's responsibility is to provide power at cost. That is what its responsibility has been to this province.

The member continues to reiterate that this whole bill is going to make Ontario Hydro much more accountable. I did not hear her once in her remarks mention the people who are on the front line in Hydro in this province, and they are the members of the hydroelectric commissions of this province, who are well represented and who are democratically elected in many communities. Many of them will be renewing their commitment on November 12 this year.

These people are accountable day after day in their communities.

To say that bringing Hydro's policies in union with government policies is the only way to go in accountability is in my mind some kind of misrepresentation of how accountability and responsibility in the provision of energy in this province has traditionally been provided.

The Acting Speaker: The honourable member for Niagara Falls has two minutes to reply.

Ms Harrington: It is difficult to touch on all the points that have been raised. First of all, I want to say that I believe there is a general agreement somewhere down deep here between all three parties, both historically and now, that we want to improve the situation with Ontario Hydro. I believe it is up to those people as well as us and the public out there to ensure that we have the best amendments possible, and I am looking forward to members' participation in all the ins and outs and intricacies of this bill.

The first member asked the question about privatization which was raised by Mr Solomon. That is a very broad and deep theoretical question, but we believe—at least I speak for myself—that there are some things that are so important they should be in the public domain.

One example that comes to my mind because I am from Niagara Falls is the Niagara Parks Commission, which was established 100 years ago. People realized way back then that if we let the private sector just take over, you would have hot dog stands and wax museums right at the very brink of the falls. So government, that is, the Niagara Parks Commission, is now in charge because it is important to the public of this province. There are many other examples of that and I believe Ontario Hydro should be the part of a system of public ownership that it is.

1650

The question of social policy: I did not state in my remarks—maybe someone else did; I am not sure—that social concerns should be part of Ontario Hydro. I believe it is an economic tool. It always has been and it will be in the future. I do recognize the importance of our local elected utility commissions. They are very important and we believe they should be part of this control in Ontario.

Mrs Y. O'Neill: I rise this afternoon to take part in the debate on second reading of Bill 118. This bill presents this House with certain fundamental changes to the structure and mandate of Ontario Hydro, and many of us, particularly on this side, have pointed that out very clearly.

These changes, I believe, will be detrimental to the people of Ontario. I would like to take this opportunity to add my thoughts to those this House has already heard from many of my colleagues. The riding of Ottawa-Rideau, which I represent in this Legislature, contains areas within three of Ontario's cities: Ottawa, Nepean and Gloucester. Representatives from the hydroelectric commissions in all three of these cities, which make up the riding of Ottawa-Rideau, have contacted me, have come to my office personally, to show me the reasons they feel Bill 118 is a regressive step.

In addition, I have received a copy of the position paper drawn up by the Municipal Electric Association,

which outlines in detail its concerns about the proposed legislation, some of which I feel have been addressed in the amendments we are about to discuss. The Municipal Electric Association represents 75% of the consumers in Ontario. That is the group I just mentioned in my remarks. For that reason alone, 75% of the consumers being represented, I believe all and each of its statements, concerns, letters and telephone calls must be taken seriously.

The hydroelectric commissions of Ottawa, Nepean and Gloucester are unanimous. That is not always the case. They are unanimous in their objection to this government's attempt to meddle—the words “meddle” and “interfere” have been used by these informed people—and interfere with a long-standing mandate of Ontario Hydro, which is to supply power at cost to the citizens of this province. Compelling Ontario Hydro to comply congruently with government policy directives sets a very dangerous precedent in the relationship between Ontario Hydro and the government of Ontario—a unique step, but certainly not a progressive step.

As my colleagues have stated earlier in this debate, this directive power amounts to a very hidden, but again regressive form of taxation. This bill gives the NDP government the power to direct Ontario Hydro's spending on various matters of energy-related government policy. That is with the amendments. It was much more devastating before the amendments and the retraction made by the Minister of Energy in this House yesterday.

Here we have new directions on various matters of energy-related government policy. Bill 118 would restrict and limit the autonomy of Ontario Hydro to fund programs it believes to be in the best interests of Ontario's ratepayers. The first and foremost responsibility of hydroelectric commissions and Ontario Hydro is certainly their ratepayers.

The example of Elliot Lake is instructive here, and that is a recent example. The provision of financial assistance to that devastated community is, I think we can all agree, a most necessary function of government. This assistance, however, should properly have come from the Ontario taxpayer generally through the consolidated revenue fund and not directly from the Ontario Hydro ratepayer; a regressive tax, a hidden tax they did not know they were paying.

The Ontario Hydro consumer, both industrial—may I state that the industrial component certainly is very directly related to the recovery from the recession we all want to get out of—and residential, must use hydro. Many of them do not have any choice and they are going to pay disproportionately for regional economic subsidies, which are no doubt priorities for this government but which do not fall within the responsibility of Ontario Hydro.

There is a fundamental question of taxation policy, of revenue collection incorporated in this bill. It raises the question of whether this government recognizes the difference between regressive and progressive taxation. Certainly those of us who have listened to NDP members over the years have always been told that the taxation that has been in existence in this province has been regressive, that we want a more progressive form of taxation. To this date, I have not seen a change. I have seen regressive tax placed

on regressive tax, and I mentioned that earlier in question period today.

Martin Montague has been chairman of Nepean Hydro for a long time. He is a very highly respected member of the community I represent. He is quoted in this week's Nepean Clarion: “The proposed changes to the Power Corporation Act will turn Ontario electricity bills into a new source of hidden taxation for the provincial government. This philosophy goes against the long-standing principle of power at cost and it must be strongly opposed.” Mr Montague has served his community on the hydro commission for 20 years. He knows of what he speaks. He goes on to say, “Hydro electricity bills will be higher in a time of economic hardship for Ontario residents and businesses and discourage much needed growth.” I remind the members Mr Montague is also a businessman in my community.

While Premier Rae says his economic goal is to be competitive in international markets, day after day, competitiveness seems not to be part of the intent of this government. High energy costs and a competitiveness spirit: they just do not gel. You just do not get people coming into a province when you have the highest energy costs and they are being directed by a government for purposes other than energy.

In a letter to me dated September 25, 1991, Mr Bisaillon, chairman of the Hydroelectric Commission of the City of Gloucester, said: “Under Bill 118, the provincial government would be able to issue policy directives that bypass the democratic legislative process,” and which “are binding on Ontario Hydro.... In addition, Bill 118 would force Ontario electricity consumers to pay for these policy directives through their rates”—the rates of the ratepayers of Ontario—“This is unacceptable,” says Mr Bisaillon, and I agree with this gentleman.

1700

This is not just a concern of eastern Ontario, Mr Speaker, although you know as well as I that this region has been particularly hard hit by the recession. Our leader and members of our caucus have had letters from all parts of the province expressing shock and outrage at the intention of this government to impose its policy objectives on Ontario Hydro ratepayers. This form of hidden tax grab—at its very best, a regressive tax—is particularly dangerous in that the government has no direct accountability to the ratepayers upon whom it is forcing higher and higher rates. Increases of 40% to 45% are projected over the next three years and may even be greater than that.

They are going to be tied to government policy that is now going on a \$9.7-billion deficit, not knowing whether that is really going to be the final figure this year, let alone next year, a back-breaking increase of 40% to 45%. This whole policy and indeed Bill 118 itself have to be re-examined, should be resisted, at the very best reviewed. Hopefully this bill will be reconsidered further. Ontario cannot absorb costs of 40% to 45% in this time of recession and unemployment.

Ontario Hydro's chair, Marc Eliesen, announced on September 11 not only his salary but that Ontario Hydro rates for 1991 will be increased by 11.8%, and that was

before Bill 118 had passed this Legislature. Indeed, it has not passed this Legislature. Thus this uncontrollable fire has already started. How much more can the beleaguered ratepayer pay next year, I ask again, when it is tied to government policy which has not got this budgetary process under any control? Certainly its forecasts are less than substantial.

The Treasurer is really calling the shots on Hydro rates and we have seen that the Treasurer has not been very successful in calling the shots on very much of the budget process to this point. "Spot on" means something different to this Treasurer than it does to me. We are talking here of an essential service, an essential part of every community and most people's homes, being priced beyond the ability of Ontario's businesses and Ontario ratepayers to pay.

These strongly voiced concerns that I have heard, and that no doubt members have heard, have been raised by the hydroelectric commissions all across this province and by many ratepayers across this province. Surely this government must see that this ill-conceived piece of legislation, which has already been changed drastically, is a mistake. It was changed drastically in the amendments presented in this House yesterday, before we really even began the debate, so it is ill-conceived. In fact, over the past few days we have seen this government backtrack on many important policies. On this one, the backtracking has been good. We hope they will continue to backtrack and withdraw the whole of the bill.

The criticism has been focused. It was immediate. Concerned Ontarians knew they were at risk. I urge this government again to withdraw Bill 118. I am delighted that the NDP government has agreed to public hearings. What I am not sure of and what I really hope will happen is that these will be full public hearings, that they will travel the province, because the communities across this province that will be affected are not within the very environs of the city of Toronto.

We as legislators have to go out to the communities to see how hard-pressed they are. We have to go to eastern and northern Ontario to see what these rate increases of 40% to 45% are going to do to these communities, to the businesses and residents of these communities. I ask again for full public hearings across this province for as long as it takes to hear the people who want to be heard on this bill. This bill deserves open and long debate, because we have to find a way to either withdraw it or make it more meaningful and accountable to the people of this province.

Legislation that removes the accountability, and this bill does that, of Ontario Hydro to provide hydro at cost, which again I reiterate is its main *raison d'être*, has to be more accurately looked at, more closely revisited, revised, recalled. The ratepayers of this province deserve nothing less. Indeed, all Ontarians will be affected by Bill 118, either in the price of the goods they buy or the services that are in their own homes. I ask this government and the government members to reconsider Bill 118, to continue to press for amendments to that bill and to ask for full public hearings across the province on this bill which is so important to this province.

Mr J. Wilson: In listening to the previous speaker from the Liberal Party, two thoughts struck me. One is that my message to the NDP government would be that even the Liberals, who tried to be all things to all people—and what we saw was mediocrity across the board—even they did not try to politicize Ontario Hydro. Shame on the government for its attempts with Bill 118 to politicize Ontario Hydro.

Second, I am a little confused. Perhaps when one of the members of the government has an opportunity to respond in the two-minute rebuttal, he or she could clarify the matter of whether the government has agreed to public hearings or not, because the Premier and his colleagues on the campaign trail themselves used to screech at every all-candidates meeting—I remember them very well—about how open the government would be and how accessible it would be.

That is striking, because I get calls every day to my office saying, "Bob won't talk to me on the phone." I say: "God, did you really believe the guy? You thought you were going to be able to pick up the phone and talk to the Premier of the province?" None the less, I have sent dozens of letters to the Premier's office saying: "Mr and Mrs So-and-so from my office have been attempting to talk to you, Premier. You've said in the campaign, you've said several times since, that you'd be available and absolutely open and accessible to the people of Ontario. Please give them a call." I have yet to hear back on the dozens of letters I have sent the poor guy, yet to hear back whether he has returned any of those calls.

The people of Ontario want input. This is extremely important legislation. In a few minutes I will have my opportunity to give the members some input on behalf of the residents of my riding and the concerned people in Ontario who have contacted my office. My good colleague the member for Lanark-Renfrew, our critic for Energy, has received dozens and dozens of letters from concerned people, and not just from individuals but from groups, from many public utilities commissions, that are very concerned about this bill.

Mr Mahoney: It is nice to have the Minister of the Environment here with us today.

I want to congratulate the member for Ottawa-Rideau on her speech and point out that when the members opposite get excited it really lends credence to our arguments because what we come to realize is that perhaps the people in the back benches of the New Democratic Party do not understand the hidden agenda of this government. The member is too much of a lady, I submit, to put forward the hidden agenda. However, I am not and I would be delighted to give the members my opinion, because the hidden agenda is very similar to the one in Environment.

The hidden agenda is that if the government drives the costs through the roof, people will conserve. If they conserve in energy, we will not need nuclear as an option. That is their hidden agenda.

1710

An hon member: There is nothing hidden.

Mr Mahoney: Sure it is. But there is a problem they do not understand: The reason we will not need nuclear, and indeed the reason we will not even need co-generation or any generation of additional hydro, is that this government is putting everybody out of business; nobody can afford this government. The members opposite do not think so. That is what is amazing. What is wrong with an 11.8% increase when they are paying the chairman \$400,000 a year?

Does the government realize that what it is doing is making it absolutely impossible? There will be darkness in all the buildings in downtown Toronto and there will be darkness in the office buildings in Sault Ste Marie because there will be no businesses left to turn the lights on. The government should understand what it is doing: It is bankrupting the province.

Mr McGuinty: We like to engage in all kinds of esoteric and sometimes academic arguments in this House relating to a number of issues, including the energy issues, and we talk a great deal about supply and demand. But the people on the street, I can assure members, are not talking about supply and demand; they are talking about their hydro bills.

The question, of course, that I would have as a rate-payer is, what does Bill 118 do for my hydro bills? In the context within which we are operating, that is the crux of this matter. That particular context is this: We have been told by the new chair of Ontario Hydro that we are going to have increases, cumulative over the next three years, of 44% on our hydro bills. This past year our increase was 15.6%, taking into consideration GST. Next year, we have been told, it is going to be 11.8%.

What is this bill going to do for my hydro bill? Can I take comfort in knowing that this bill will ensure that my hydro bill will not be unduly elevated and, furthermore, will be controlled? I have to respond in only one particular way, and that is that the answer is—

Interjections.

The Acting Speaker: Order, please. The honourable member for Ottawa South has only two minutes.

Mr McGuinty: This bill will do nothing whatsoever to help control my hydro bill. In fact, given the track record of the government, given its propensity to involve Hydro in social policy initiatives, it only means one thing for my hydro bill, and that is that it is going to be further elevated. It will not be controlled. This bill will only exacerbate the problem, and I can take no comfort whatsoever as a hydro bill payer.

Mr Jordan: I would just like to comment on the input of my colleague the member for Ottawa-Rideau to this debate. I think she has brought out a very important factor. When we were talking about Ontario Hydro being out of control, she brought to the attention of the House that over 70% of the customers are covered by the Municipal Electric Association, which elects its membership every three years, the same as municipal councils, and these people monitor the operation of Ontario Hydro. It is done not only from this Legislature, it is done right from the grass roots, right up through to the chairman. The people have brought

many concerns to the chairman and board of Ontario Hydro, and they have heeded them and they have acted.

The government cannot legislate good management. If they do not have good management, then they should hire it, but they cannot legislate management. They can issue all the directives they like, but they will not end up with an efficient, well-run utility.

This idea that we are going to have the power to direct Ontario Hydro and bypass this Legislature is going to do absolutely nothing for the people of Ontario and will do absolutely nothing for the cost of building future generation. It does not matter whether this government builds it in the next three years, but it is going to build it.

This thing of saying they are going to save 700 megawatts of energy is false. They are not going to save 700 megawatts of energy; they are going to transfer it into fossil fuels and put CO₂ into the air, and we will have far more problems than we will ever have from using nuclear energy.

The Acting Speaker: This terminates the debate. The honourable member for Ottawa-Rideau has two minutes to reply.

Mrs Y. O'Neill: I am very pleased that recognition of the Hydro commissioners has finally come to the floor of this House. These men and women who serve in our communities have done more for energy conservation in this province than any government. They are good managers, they are good communicators, and I have nothing but praise for the people who offer themselves in what is often a very humble position in the community but which is a very key position. Many of them get calls much more often than we realize. Whenever there is a storm, an ice storm in particular, these people are on the front lines, and they deserve our support.

I want to reiterate that tying Ontario Hydro's policies and decision-making to this government's policies and decision-making is dangerous, particularly when they are tied so closely to the decisions of the Treasurer and the decisions of the Premier in this government that has a \$9.7-billion deficit this year.

Mr Mahoney: It is hard to say that, isn't it?

Mrs Y. O'Neill: It is hard for me to get out because it is hard for me to believe. It is a \$9.7-billion deficit this year and we do not know what it will be next year.

We are asking ourselves to tie another agency's fiscal policies to a government policy that seems to be out of control, mismanaged. It has been changed within five months of its presentation to this House. That makes me very shaky about tying economic policies to a government that has not got an economic plan.

Energy costs are directly related to the recovery of this province. They certainly are related to the economic recovery of the commercial sector and to the recovery of many individuals who find the hydro bill is the thing that is breaking their backs.

The Acting Speaker: Further debate on Bill 118. The honourable member for Simcoe West.

Interjections.

Mr J. Wilson: I thank the NDP members. I know they always look forward to my speeches in this House because essentially they will learn something once again from the commonsense approach that I and my caucus colleagues on this side of the House take.

I am pleased to have the opportunity to join in this very important debate today. For one reason, it is a historic debate. It is a historic debate because the ladies and gentlemen who sit across from us, who form the government, have decided to implement socialism right in the heart of Ontario Hydro, and we are here to tell them that it is not a good idea.

The legislation we have before us, Bill 118, An Act to amend the Power Corporation Act, is significant for two other primary reasons. First, it will have profound and far-reaching consequences for Ontario Hydro and, second, it embodies the most critical faux pas this government continues to make; that is, this government continues to misinterpret its mandate when it won some 38% of the popular vote in the last election. While Ontario residents have given the NDP a mandate to govern, they did not surrender the NDP a blank cheque to implement its socialist agenda.

About 40 years ago, then British Prime Minister Winston Churchill—members of the government know who Winston Churchill was, do they not?

Mr Dadamo: Yes, I think we have heard of him.

Mr J. Wilson: They can read history. It is reassuring. I was not sure.

Winston Churchill, while touring the American Midwest, spoke of the Iron Curtain that was being drawn by the USSR across eastern Europe. Today, businesses and individuals in Ontario are coming face to face with the very same reality that Churchill spoke about four decades ago. It is amazing how history repeats itself when those who cannot read history and refuse to learn from history do not take the time to learn from history.

Bill 118 is one more act in a play designed by the NDP government to draw an iron curtain over economic growth in this province. Bill 118 is a shameless, senseless attempt by the government to control and politicize Ontario Hydro. This political coup comes at the worst possible time for a province attempting to lift itself from the throes of the economic recession. With Bill 118, the Premier and his merry band of business busters are once again short-circuiting the few remaining hopes held by industry and business that they can survive and prosper in this province.

1720

Bill 118 is not good legislation. It is self-serving, manipulative and ignores the economic realities that exist in Ontario, the economic realities that I and my colleagues on this side of the House try, day in and day out, to point out to this government, not what Marxist theory is, not what Stephen Lewis/Bob Rae socialist theory is, not the type of crap government members spewed at all-candidates meetings during the election, but realities—the men and women in this province who pay taxes, the highest-taxed jurisdiction in North America, the portables in our schoolyards, the lineups for health services. There are all kinds of

issues—yesterday, nursing homes—that the government fails to address because it is spending time, wasting taxpayers' dollars, trying to politicize and implement a socialist agenda through Ontario Hydro, and I say shame.

Not only does this legislation signal a dark day for Ontario, but I fear that it blacks out any chance for economic recovery in this province. With Bill 118, the Premier and his government are in effect dimming the lights on the 18,868 Ontario workers who have been affected by layoffs and plant closures in the first eight months of this year. The government's House lights are on, but no one seems to be home for the thousands of people left unemployed by a recession that has seen unemployment rise in the second quarter of 1990 to 9.6%, when at the same time last year—the government may want to take note—the unemployment rate in Ontario stood at 5.4%. It was still a disgrace, but it was a heck of a lot better than the more than 9% we have now. For the past 12 months, this government's major economic initiative has been to criticize the federal agenda, while implementing social legislation that further distances this province from a full economic recovery.

Getting back to Bill 118, what does this legislation do? Bill 118 makes the chairperson of Ontario Hydro chief executive officer of the corporation, a point I will come back to, because it is important; Bill 118 increases the membership on the board of directors of Ontario Hydro from 17 to 22, another significant point, and Bill 118 allows the Minister of Energy to issue policy directives that would be binding on the corporation. There is the history on this bill, the unprecedented move by the Minister of Energy to grab power, as it were, unto himself, unto his cabinet colleagues, and dictate policy to Ontario Hydro that would be binding on the corporation.

Bill 118 allows Hydro to promote switching from electricity to fuels which, as my colleague the member for Lanark-Renfrew, our Energy critic for the Ontario PC Party, has pointed out, will cause greater pollution.

I note that my colleague the member for Wellington is over there trying to give the members some firsthand advice on how to get back on track. He is over there and I notice that he has been able to quiet down the government members so they can listen to my remarks, which I think are important and reflective of what real people out there—real people who are trying to create jobs and generate economic wealth, real people who pay taxes—are saying to the government.

They only got 38% of the vote. They should not fool themselves. They did not get a blank-cheque mandate, so I think they should be quiet for a few minutes and listen to what we have to say, because we think and we believe and we know we have some input. The Premier is always telling us he wants our input. The government members should listen; we are going to give them some input.

Most of us are aware of the tug of war that is being played out in the headlines of newspapers, pitting the NDP government versus Ontario Hydro. This tug of war is simply a skirmish to determine who should control the future of energy and energy policy in this province. In an effort to control Ontario Hydro, the Premier and his cabinet have

installed an NDP political hack to run the largest corporation in Ontario. He has done this in the face of resistance from Ontario Hydro itself, which naturally feels that the corporation's chief executive officer should not have the initials NDP beside his name.

The question I put to this Legislature is this: Should the boss of Ontario Hydro be someone whose strength is loyalty to a political party? Should that be the criterion, solely? Or should it be someone who is uniquely qualified to guide one of Ontario's largest corporations at a critical time in the history of this province?

As has been pointed out by many members prior to myself here today and in the debate yesterday and the adjourned debate in days gone past, Mr Marc Eliesen, the CEO and chairman of Ontario Hydro, wants a salary of some \$400,000. It is absolutely ridiculous. I do not know how the Premier, any of the cabinet, any member of the NDP could possibly try to justify that, not only to their own supporters, but to the people who reside in my riding and my colleagues' ridings who would not see that kind of money in years and years of accumulated salaries. It is absolutely astonishing that they would be contemplating giving the chair of Ontario Hydro, their political appointment, \$400,000. I think that says something about socialism. I think that says something about socialists feeding at the trough, and I think it is disgraceful.

The importance of Ontario Hydro cannot be underscored enough. It is the cornerstone of our infrastructure, infrastructure that is vital to sustain and maintain our quality of life in this province. Decisions made by Ontario Hydro have profound and enduring consequences for all of us, for every citizen in the province. Simply stated, Ontario Hydro is too important to our society for a governing party like the NDP to strong-arm it. Its function is too critical for it to be imprisoned by a socialist ideology and pressured into performing the role of social welfare provider.

The decisions made by Ontario Hydro will echo for years to come, long after this government's mandate, and this government's decisions will have a profound effect on the future of this province. I know you are having a rough time governing. I know things have not been going well. I saw the Minister of Energy yesterday trying to paper over some of this bill and trying to make those people out there, such as the Municipal Electric Association, less worried about the thrust of this legislation. I know you are having a rough time, but to socialize Ontario Hydro and to pay its chair \$400,000 is shameful, disgraceful, and if it were not so sad, it would be funny. I note that members opposite often take great humour in these things, but I do not think they are funny at all.

I know you are having such a rough time governing this province that you probably have figured out by now that you will not be the government next time. You probably have figured out you can do things like socialize Ontario Hydro and change its mandate and try to fool people that energy conservation alone is the ticket to the future, is the ticket to securing long-term energy for this province. You can try to fool the people of Ontario and you may get away with it for the next three or four years, you may get away with it before public opinion catches up with you.

But you will not be around when the blackouts occur, you will not be around when the brownouts occur. It will be the members of my caucus and our government at that time that will have to clean up not only your deficit mess, your fiscal disaster, but Ontario Hydro now, for goodness' sake, and we will probably have to give some huge severance package to the chair because he is making a \$400,000-a-year salary.

Interjections.

Mr J. Wilson: Mr Speaker, it is unbelievably wild in here.

Interjections.

The Speaker: Order. It might assist the member for Simcoe West if he were to address his remarks to the Speaker.

1730

Mr J. Wilson: My pleasure, Mr Speaker.

It is all the more reason to invest the reins of Hydro with someone who is there for the long haul and not with someone who is unlikely to survive the demise of this government.

In order to further cement its hold on Ontario Hydro, this government has tabled Bill 118, which also proposes to increase the membership on the board of directors of Ontario Hydro from 17 to 22. More big government, the pay-them-more-money socialist philosophy.

Let's not fool ourselves. This government has flexed its patronage muscles in order to squeeze out any dissent from the policies it wants to implement through Ontario Hydro.

What is the cost to the taxpayer in order for the Premier to have his own way with Ontario Hydro, regardless of whether it is the best policy for Ontario? Because the NDP government needs to enlarge Ontario Hydro's board of directors for its own benefit, taxpayers will dig deeper for \$25,000 each year, plus an extra \$185 per meeting for each of the five additional board members.

It does not sound like a lot, but when members consider they are doing this in a number of areas, in a number of pieces of legislation, it certainly adds up to tremendous increases in administrative costs, not only to Ontario Hydro but of course ultimately to the one taxpayer of the province, each individual, who pays taxes. There is one set of pockets. These guys are tapping them dry. Surely this government should be more concerned with putting unemployed people back to work than lining the pockets of NDP hacks at the expense of the public.

Bill 118 is also the product of a feud between Hydro and the Premier and his cabinet. I would suggest that this government would be better served if it concentrated on getting Ontarians back to work and end its war with Ontario Hydro. It should withdraw this bill. It is the most sensible thing to do. It has heard that from thousands of concerned people across this province who are represented by the public utilities commissions, who have written to us, who have written to government members, who have written to the Premier, who have written to cabinet ministers. The government should withdraw the bill.

The people of Ontario could care less about who blinks first or whether the Premier thinks he is Gary Cooper. I quote from the May 21 editorial of the *Kitchener-Waterloo Record*. The member for Guelph, right next door, should be very interested in this. "Open confrontation between Ontario Hydro and the Ministry of Energy serves the interests of no one," something the government would do very well to remember.

I also feel the best interests of Ontarians will not be served by ramming through a bill that usurps the mandate of Ontario Hydro. Hydro's mandate has been and should continue to be the delivery of a secure, reliable power source at the lowest possible cost.

What is the principle of power at cost? We have heard it discussed a great deal today and in previous days in debate. I want to read from a backgrounder that was provided by the Municipal Electric Association, which I feel explains the principle of power at cost very succinctly and very clearly. Even the government should understand it.

"The principle of power at cost states that the people of Ontario should pay for the cost of generating and delivering electricity, and only those costs. Ontario has enjoyed the benefits of economic electrical energy since 1906, when Ontario Hydro was formed in response to the demand for public power at cost championed by 14 municipalities. This principle has significantly contributed to Ontario's economic growth. Electricity rates cover only the cost of operating the municipal utility.

"The principle of power at cost has been instrumental in attracting and retaining industry within this province. It has contributed to our quality of life and an economic standard of living that is hard to surpass."

That is from the backgrounder provided by Municipal Electric Association, which I think was very clear in explaining the power-at-cost principle.

This strong-arming bill is proof positive that this government wants to make Ontario Hydro an active agent of its socialist policies. Hydro has become the major financier for NDP policy in northern Ontario, and in particular Elliot Lake.

Also from the Municipal Electric Association, I want to quote what it has to say about the Elliot Lake community assistance package, which so many members in this House have mentioned in their remarks:

"On June 17, 1991, Ontario Hydro announced that it had renegotiated its uranium supply contracts with Rio Algom Ltd in Elliot Lake. As part of the renegotiated package, Ontario Hydro agreed to provide \$65 million to the northern Ontario heritage fund"—hardly anything to do with Ontario Hydro's mandate—"in order to fund economic diversification within the community and to assist the communities of Elliot Lake and Blind River in retiring their municipal debt.

"Clearly, this initiative goes beyond Ontario Hydro's role of providing safe, reliable electricity at cost. The provincial government is using Ontario Hydro as a social and economic instrument, and is passing the hidden costs on to Ontario's electricity consumers." That is you and I, Mr Speaker. "The Elliot Lake assistance package which precedes the final passage of Bill 118 indicates the provincial

government is intent on using our electricity rates as a new source of taxation in order to fund social assistance and regional development programs."

So you see, Mr Speaker, it is not just members of the opposition, it is the thousands of members and good people who make up the Municipal Electric Association in Ontario. These are people who know a lot about producing electricity and know a great deal about PUCs and Ontario Hydro. They are people who should be listened to. They are people who know better than this government does what is the proper role for Ontario Hydro and that Ontario Hydro should not be used as a socialist arm of this socialist government.

I would urge this government to look beyond its short-term political gains and begin to examine more closely the crisis that confronts Ontario Hydro. Hydro is faced with the imposing problem of a massive debt at a time when the utility is having serious trouble with supply. In fact, Ontario Hydro may soon be crippled by its astounding debt, which stands at \$35 billion. Hydro is likely to fall short of the debt coverage ratio recommended by the Ontario Energy Board. It is not just the utility that should be frightened by this debt. As the *Financial Post* of July 16, 1991, points out, "Achievement of these targets is of primary importance to the financial community in Ontario."

Eradication of this debt seems to be the furthest thing from this government's mind, because it has been Hydro that has been forced to rescue Elliot Lake and Blind River. These multimillion-dollar settlements will be borne on the backs of hydro users, both residential and commercial. That is certainly worth repeating, because that is the point.

The point is that this government does not have the courage to bail out Elliot Lake, Blind River and Kapuskasing from its own budget, from general revenue, because it has a \$9.7-billion deficit that the Treasurer admits over the last couple of days is soaring way out of control. There is no way he can bail out those communities through the general revenue fund, so he has to do it through the back door, through future hidden taxation that will be picked up in the hydro bills of the consumers of this province. That is the point.

When the government retroactively directs Ontario Hydro—and now it is asking for the legislative authority retroactively to do that, which is sinful in itself—to provide social assistance programs, job maintenance programs and job development programs, then it has gutted its mandate. It has missed the boat on what Ontario Hydro is supposed to do and has not been honest with the taxpayers of this province. How many lectures have we had from the Premier about honesty, open government and integrity? Well, they are failing the test miserably and Bill 118 is a prime example of an F they deserve on economic policy and the way they try to implement social policy through the back door.

1740

As I said, these multimillion-dollar settlements will be borne on the backs of residential and commercial hydro users. By now all members have heard of the anticipated double-digit rate increases for hydro users for the next three years. In fact, one of my local public utilities

commissions in the town of Collingwood points out to me that compounded over the next three years the hydro rate increases for consumers, for members and me, people of Ontario, will probably be in the order of 35%, a 35% increase because Hydro is being asked to do things it should not be asked to do. The message this badly flawed piece of legislation sends is that the principle of power at cost for business and industry is a thing of the past.

I quote from a letter from the hydroelectric commission from the newly amalgamated town of Alliston, Beeton, Tecumseth and Tottenham, which has grave reservations regarding the impact of Bill 118:

"Bill 118 threatens to destroy Ontario's long-cherished principle of power at cost by making electricity rates a new source of tax revenue for the provincial government.

"Under Bill 118 the provincial government would be able to issue policy directives that bypass the democratic legislative process and are binding on Ontario Hydro and that could force Hydro to do things that are outside its current mandate, which is the provision of safe, reliable electricity. In addition, Bill 118 would force Ontario electricity consumers to pay for these policy directives through their rates. This is unacceptable.

"We also object to the sections of Bill 118 that permit Ontario Hydro to subsidize fuel substitution through electricity rates. This is unnecessary, as market forces alone are enough to encourage certain types of fuel switching.

"Bill 118 is flawed legislation that sets dangerous precedents and allows a new, hidden tax grab by the provincial government."

The government should bear in mind that the best form of social assistance is to make decisions and create a climate where social assistance becomes unnecessary, though if Bill 118 is allowed to pass as is, I assure the members we will be opening the pages of a newspaper to learn of yet another industry that has closed shop in Ontario and moved south.

It is critical for our industrial strategy and for the industrial strategy of the government, which I do not think has one, by the way. If it did have an industrial strategy, a critical component would be that power be provided at cost for industrial and residential consumers. Hence the current mandate of Ontario Hydro, which they are wishing to change.

This government seems more concerned with crossing wires with Ontario Hydro than plugging in the private sector to expand and grow in this province. The concerns I raise regarding Bill 118 are not just mine alone. They are shared by other members in business and industry, Ontario Hydro, the Municipal Electric Association and every community and person in this province that has suffered through this recession, been laid off and is burdened in the highest-taxed province and jurisdiction in North America.

The town of Collingwood is one such community. I have the distinguished pleasure to represent Collingwood in the riding of Simcoe West in this Legislature. That community understands completely the implications of Bill 118. This bill will short out the fuse of hope held by communities such as Collingwood which are desperately trying to dig themselves out from this recession.

Recently I met in Collingwood with the PUC manager, Mr Ed Houghton, and he outlined to me his deep misgivings concerning Bill 118. I quote from a resolution passed by the PUC for the town of Collingwood on September 10 of this year, referring to Bill 118:

"Whereas Ontario Hydro has been recently forced to make an unnecessary \$250-million expenditure associated with the renegotiation of uranium contracts and the associated community assistance package for Elliot Lake; and

"Whereas this is a growing concern that Ontario Hydro is becoming an instrument for the provincial government's social policies instead of being the provider of safe, reliable, sufficient electricity at cost; and

"Whereas municipal electric utility consumers should not be financing the government's social assistance programs in their cost of power as a form of hidden taxation;

"Be it resolved that the public utilities commission of the town of Collingwood requests the province of Ontario to withdraw this section of Bill 118, dealing with policy directives, that would change the mandate of Ontario Hydro and force electricity customers to bear the costs of these directives in their rates; and

"Be it further resolved that the public utilities commission of the town of Collingwood requests the government of Ontario and Ontario Hydro to not finance social assistance programs, and other government initiatives unrelated to Ontario Hydro's mandate, through the cost of power."

It is worth noting that this resolution was also passed by the hydroelectric commission for the town of Innisfil, and similar concerns were expressed to me by the manager of the PUC in the town of Wasaga Beach.

I am sure that if all citizens of Ontario fully understood the intent of this legislation, which is simply to wrest control of Ontario Hydro, change its mandate and have Hydro implement social assistance programs in the name of the government, and that they as hydro users will be paying for this social assistance, I know they would cry foul en masse. The problem is, few are aware of the NDP plans to use Ontario Hydro as a tool to advance its own agenda while billing hydro users. That is the purpose of this debate and the purpose of driving home these points.

We all have better things to do than to drive these points home to the government, but to date it has not been listening. We are wasting a lot of hydro in this building and certainly a lot of hot air in trying to drive these points home. But it is important that the people of this province understand what the government is up to.

As I said, the problem is that few are aware of the NDP hidden agenda here. It is nothing short of indirect taxation and smells of the type of hidden political agenda the people of Ontario, when they are aware of it, will not tolerate. By passing Bill 118, this government will drive the final stake into the hearts of industry. I truly believe we are getting near the end of the slippery slope. We have had just about over a year of nonsense from this government, a total lack of understanding of the needs of business and of how wealth is generated in this province, who generates the wealth and who benefits. All the people benefit when wealth is generated in this province.

I can remember so well—it is like a bad nightmare—when the NDP candidate in the riding of Simcoe West used to get up and scream about corporate welfare bums. He screamed about people and corporations that did not pay taxes in this province. Because he did not have any idea whatsoever what he was talking about, I had to point out to him that corporations are made up of people. They are not buildings. They are not just the steel structure people picket in front of from time to time. They are made up of people in my riding, and in particular senior citizens who invest their money in corporations so that they can get a good return on their dollar. Otherwise they would invest the money in the bank on the corner.

Until this government came to office there was a level of confidence out there, and until the Liberals started to tax the heck out of Ontarians there was a level of confidence out there and people were investing in corporations in Ontario and in Canada and creating jobs in this province. The statistics show it. Sure they were making money. You have to make a profit to pay taxes to government. We have been a long time in explaining this to the government and having it come around to understanding this principle. In recent days the Treasurer does seem to understand that principle, although he really is not doing anything about correcting his errors of the past.

1750

The speeches in this Legislature, and fortunately ours on this side, have not really changed much either, because the government members, the NDP members—Bill 118 is a very good example of this—seem to believe their own socialist rhetoric. Maybe they were weaned on it or something; I do not know. But it does not reflect reality in this province. It is doing damage to the very people who at one time created jobs. Those people are telling me and my caucus colleagues in the Ontario Progressive Conservative Party that they very much want to leave the province. I have been told by more than one person, by more than a dozen people and by more than two dozen people with whom I have met concerning Bill 118 that they very much feel this may be the straw that breaks the camel's back.

They cannot really imagine in their heart of hearts, in their mind of minds, what other steps this government could possibly take to further drive business out of this province. The government has almost exhausted the list. Its imagination must be running out. At least I would like to believe that.

We ask it to listen to our comments and to accept the common sense we are bringing forward. It would be foolish for any of us to think that industry would want to locate in a jurisdiction that not only taxes initiatives into the ground, but cannot supply the lifeblood of industry, which is hydroelectric power at cost.

Bill 118 will reduce the quality of life for all of us in Ontario by diminishing any hope for industrial growth in Ontario. Hydro's debt and the NDP government's insistence that it fund the government's socialist agenda will contribute to ever-escalating hydro rates and will continue to make Ontario an unattractive place to do business. In fact, for consumers alone—these are not the large consumers; these are you and I, Mr Speaker, the people of Ontario

who rent an apartment or own a house—we are expecting that our hydro bills will, on a compounded basis, rise by as much as 35% over the next three years.

By using Hydro as an agent of socialist policy, the Premier and his merry band will prevent the utility from addressing the major problem of supply in this province. Our current supply barely covers the current demand. The Premier will do so by the back door, by enabling the Minister of Energy to circumvent the Legislative Assembly, to issue policy directives, and in the process, silence the taxpayers of this province.

How can we expand our industrial and commercial base without the power to supply new industry or industries wishing to expand? We know how we can cut down on the need for future generation demand, because they are driving business out of the province. Frankly they may get away with their hidden agenda over the next three years, because the brownouts probably will not occur until another government comes in and starts to attract industry back.

Some of the primary questions will be: "Can we plug in our machines? Do you have reliable power at cost? Are you competitive with other jurisdictions?" Those are primary questions that certainly industry asks. I have a plant, the Lemmerz-Magna Industries plant—it is now owned by Reynolds—in Collingwood. It uses a tremendous amount of electricity and it is very worried. It makes aluminum wheel rims. I am told by local PUC officials that we have already had brownouts in the Collingwood area. I am told that Magna would like to expand, or at least up until a few months ago it was thinking of expanding, but it is very worried about whether it can be assured of a secure, reliable, relatively inexpensive source of power.

By having Ontario Hydro spend some \$65 million towards the northern Ontario heritage fund and some \$250 million in paying outrageous uranium prices in Elliot Lake, the government has taken money and created unemployment in our local areas.

I have two contractors located in my riding who for the last 10 years have been working on contracts that they tender for each year, upgrading the lines from Orangeville up through to Collingwood. We are badly in need of power in that part of the province. Ontario Hydro's long-range plan addresses that, but it is being thrown off track, and this year, what is the answer I get? Our local region had to give up. Ontario Hydro had to take \$16 million out of a little region like the one I live in because head office said, "We have to pay \$250 million to Elliot Lake and the northern Ontario heritage fund. We cannot let out the contracts this year." New contractors are out of work, because these people had specialized in upgrading hydro lines. They had been doing it for years. The contractors are out of work so that the members opposite can play political shenanigans in the north, so that they can spend \$250 million saving 600 jobs. Meanwhile, they are putting people in my riding out of work.

I dare any one of the members opposite to come down and explain to contractors in my riding why they have to be out of work because the government has decided to use Ontario Hydro as an instrument of social policy.

Every year, and in fact I am told in about four weeks, a very large portable generator has to go up Airport Road and park at the side of the road—they put a fence around it—just so we can have enough power in the Collingwood area and up through to Owen Sound to get through the winter without brownouts. Every year they have to bring in this big portable generator, which is an ungodly sight, at tremendous cost, to get us through the winter up there, so that industries can continue to have power and so that I and the folks at home can continue to turn on our lights and heat our homes.

That would still be necessary this year. I will be honest about this. But it would not be necessary in the next few years if the government had allowed our region to continue to upgrade its lines.

Interjections.

Mr J. Wilson: But no. Without any consultation whatsoever, and now with a retroactive piece of legislation, they change Ontario Hydro's mandate.

Mr B. Murdoch: Don't be calling anybody a birdbrain. If anybody is a birdbrain, you are.

Mr J. Wilson: The government stops the good work Hydro was doing because it has a suspicion of professionals and a suspicion of large corporations, even if it is one that is accountable to the government of Ontario.

Mr B. Murdoch: Have you ever been out in the country? You ever been outside of Toronto, Charlton? You call somebody a birdbrain. You're the only birdbrain over there.

The Speaker: Order, the member for Grey.

Mr B. Murdoch: What an ass. Call people birdbrain. You ever been out in the country? They don't happen to have gas through the country. What kind of a birdbrain—

The Speaker: Order.

Mr B. Murdoch: Well, tell him to keep his mouth shut, then.

The Speaker: The member for Grey would please withdraw that remark. It is unparliamentary language.

Mr B. Murdoch: What remark? He said "birdbrain," not me.

The Speaker: I asked the member if he would not use that vocabulary.

Mr B. Murdoch: He said "birdbrain," not I.

The Speaker: What I heard was the member for Grey use that—

Mr B. Murdoch: I will withdraw mine if he withdraws his.

The Speaker: The member for Grey, just relax. I did not hear the remark by the member to whom you were referring. If the member indeed said what has been suggested, perhaps the member would graciously remove the offending comment.

Hon Mr Charlton: If I have offended the member for Grey, I withdraw the comment.

Mr B. Murdoch: Same thing. If that is the case, I will withdraw my remark.

The Speaker: To the member for Simcoe West, perhaps this would be an appropriate place for him to break with his remarks. He of course will have the floor when we next resume debate on this matter.

The government House leader with the business for next week.

BUSINESS OF THE HOUSE

Hon Mr Cooke: Pursuant to standing order 53, I would like to indicate the business of the House for next week.

On Monday, October 7, we will resume committee of the whole consideration of Bill 70, the Employment Standards Amendment Act, and we will continue with that on Tuesday, October 8. If we complete work on Bill 70, we will move to Bill 118, the act we are discussing now.

On Wednesday, October 9, we will continue with unfinished business from the day before, and if we are lucky and finish Bills 70 and 118 we will go on to the Bill 83, the Income Tax Amendment Act, and Bills 84, 85, 86 and 130.

On Thursday, October 10, in the morning we will deal with private members' business, ballot item 35 standing in the name of Mr Mancini, and item 36 standing in the name of Mr Wilson, Simcoe West.

In the afternoon, we will continue with the same business we were working on the day before, unless it is all completed, and then we will go on to the tax bills.

The House adjourned at 1801.

**LEGISLATIVE ASSEMBLY OF ONTARIO
ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO**

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Clerk/Greffier: Claude L. DesRosiers

Clerk Assistant and Clerk of Committees/Greffier adjoint et Greffier des comités: Smirle Forsyth

Clerk Assistant and Clerk of Journals/Greffier adjoint et Greffier des journaux: Alex D. McFedries

Sergeant at Arms/Sergent d'armes: Thomas Stelling

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- Akande, Hon/L'hon Zanana** (St Andrew-St Patrick ND) Minister of Community and Social Services/Ministre des Services sociaux et communautaires
- Allen, Hon/L'hon Richard** (Hamilton West/-Ouest ND) Minister of Colleges and Universities, Minister of Skills Development/Ministre des Collèges et Universités, ministre de la Formation professionnelle
- Arnott, Ted (Wellington PC)
- Beer, Charles (York North/-Nord L)
- Bisson, Gilles (Cochrane South/-Sud ND) PA to Minister of Northern Development and Mines, PA to minister responsible for francophone affairs, Vice-Chair, select committee on Ontario in Confederation/Ap du ministre du Développement du Nord et des Mines, ap du ministre délégué aux Affaires francophones, vice-président du Comité spécial sur le rôle de l'Ontario au sein de la Confédération
- Boyd, Hon/L'hon Marion** (London Centre/-Centre ND) Minister of Education, minister responsible for women's issues/Ministre de l'Éducation, ministre déléguée à la Condition féminine
- Bradley, James J. (St Catharines L) opposition House leader/Chef parlementaire de l'opposition
- Brown, Michael A. (Algoma-Manitoulin L) Vice-Chair, standing committee on general government/ Vice-Président du Comité permanent des affaires gouvernementales
- Buchanan, Hon/L'hon Elmer** (Hastings-Peterborough ND) Minister of Agriculture and Food/Ministre de l'Agriculture et de l'Alimentation
- Callahan, Robert V. (Brampton South/-Sud L) Chair, standing committee on public accounts/Président du Comité permanent des comptes publics
- Caplan, Elinor (Oriole L) Chair, standing committee on social development/Présidente du Comité permanent des affaires sociales
- Carr, Gary (Oakville South/-Sud PC)
- Carter, Jenny (Peterborough ND) PA to Minister of Citizenship, responsible for human rights, disability issues, seniors' issues and race relations/Ap de la ministre des Affaires civiques, déléguée aux Droits de la personne, aux Affaires des personnes handicapées, aux Affaires des personnes âgées et aux Relations interraciales
- Charlton, Hon/L'hon Brian** (Hamilton Mountain ND) Minister of Financial Institutions/Ministre des Institutions financières
- Chiarelli, Robert (Ottawa West/-Ouest L)
- Christopherson, David (Hamilton Centre/-Centre ND) PA to Treasurer of Ontario and Minister of Economics/Ap du Trésorier de l'Ontario et du ministre de l'Économie
- Churley, Hon/L'hon Marilyn** (Riverdale ND) Minister of Consumer and Commercial Relations/Ministre de la Consommation et du Commerce
- Cleary, John C. (Cornwall L)
- Conway, Sean G. (Renfrew North/-Nord L)
- Cooke, Hon/L'hon David** (Windsor-Riverside ND) Minister of Municipal Affairs, government House leader/Ministre des Affaires municipales, chef parlementaire du gouvernement
- Cooper, Mike (Kitchener-Wilmot ND) Chair, standing committee on administration of justice; deputy government whip/Président du Comité permanent de l'administration de la justice, whip adjoint du gouvernement
- Coppen, Hon/L'hon Shirley** (Niagara South/-Sud ND) Minister without Portfolio, chief government whip/Ministre sans portefeuille, whip en chef du gouvernement
- Cordiano, Joseph (Lawrence L) Vice-Chair, standing committee on social development/Vice-Président du Comité permanent des affaires sociales
- Cousens, W. Donald (Markham PC)
- Cunningham, Dianne (London North/-Nord PC) Progressive Conservative chief whip/Whip en chef du Parti progressiste-conservateur
- Curling, Alvin (Scarborough North/-Nord L) opposition deputy whip/whip adjoint de l'opposition
- Dadamo, George (Windsor-Sandwich ND) PA to Minister of Transportation/Ap du ministre des Transports
- Daigeler, Hans (Nepean L)
- Drainville, Dennis (Victoria-Haliburton ND) PA to Minister of Municipal Affairs; Chair, select committee on Ontario in Confederation/Ap du ministre des Affaires municipales, président du Comité spécial sur le rôle de l'Ontario au sein de la Confédération
- Duignan, Noel (Halton North/-Nord ND) Chair, standing committee on the Legislative Assembly; Co-Chair, special committee on the parliamentary precinct/Président du Comité permanent de l'Assemblée législative, coprésident du Comité extraordinaire de l'enceinte parlementaire
- Elston, Murray J. (Bruce L) Leader of the Official Opposition/Chef de l'opposition officielle
- Eves, Ernie (Parry Sound PC) Progressive Conservative House leader/Chef parlementaire du Parti progressiste-conservateur
- Farnan, Mike (Cambridge ND) First Deputy Chair of the Committee of the Whole House/Premier vice-président du Comité plénier de l'Assemblée législative
- Fawcett, Joan M. (Northumberland L)
- Ferguson, Hon/L'hon Will** (Kitchener ND) Minister of Energy/Ministre de l'Énergie
- Fletcher, Derek (Guelph ND) PA to Minister of Consumer and Commercial Relations/Ap du ministre de la Consommation et du Commerce
- Frankford, Robert (Scarborough East/-Est ND)

- Gigantes, Hon/L'hon Evelyn** (Ottawa Centre/-Centre ND)
Minister of Housing/Ministre du Logement
Grandmaître, Bernard C. (Ottawa East/-Est L)
- Grier, Hon/L'hon Ruth A.** (Etobicoke-Lakeshore ND)
Minister of the Environment, minister responsible for the greater Toronto area/Ministre de l'Environnement, ministre responsable du Bureau de la région du grand Toronto
- Haeck, Christel (St. Catharines-Brock ND)
- Hampton, Hon/L'hon Howard** (Rainy River ND) Attorney General/Procureur général
- Hansen, Ron (Lincoln ND) Chair, standing committee on finance and economic affairs; Chair, standing committee on regulations and private bills/Président du Comité permanent des finances et des affaires économiques, président du Comité permanent des règlements et des projets de loi privés
- Harnick, Charles (Willowdale PC)
- Harrington, Margaret H. (Niagara Falls ND) PA to Minister of Housing/Ap du ministre du Logement
- Harris, Michael (Nipissing PC) leader of the Progressive Conservative Party/Chef du Parti progressiste-conservateur
- Haslam, Hon/L'hon Karen** (Perth ND) Minister of Culture and Communications/Ministre de la Culture et des Communications
- Hayes, Pat (Essex-Kent ND) PA to Minister of Agriculture and Food (agriculture)/Ap du ministre de l'Agriculture et de l'Alimentation (agriculture)
- Henderson, D. James (Etobicoke-Humber L)
- Hope, Randy R. (Chatham-Kent ND) PA to Minister of Community and Social Services/Ap du ministre des Services sociaux et communautaires
- Huget, Bob (Sarnia ND) PA to Minister of Energy/Ap du ministre de l'Énergie
- Jackson, Cameron (Burlington South/-Sud PC) Chair, standing committee on estimates/Président du Comité permanent des budgets des dépenses
- Jamison, Norm (Norfolk ND) PA to Minister of Industry, Trade and Technology, responsible for small business/Ap du ministre de l'Industrie, du Commerce et de la Technologie, délégué aux Affaires des petites entreprises
- Johnson, Paul R. (Prince Edward-Lennox-South Hastings/Prince-Edward-Lennox-Hastings-Sud ND)
PA to Minister of Revenue/Ap du ministre du Revenu
- Jordan, W. Leo (Lanark-Renfrew PC)
- Klopp, Paul (Huron ND) PA to Minister of Agriculture and Food (food)/Ap du ministre de l'Agriculture et de l'Alimentation (alimentation)
- Kormos, Peter (Welland-Thorold ND) Chair, standing committee on resources development/Président du Comité permanent du développement des ressources
- Kwinter, Monte (Wilson Heights L)
- Lankin, Hon/L'hon Frances** (Beaches-Woodbine ND)
Minister of Health, minister responsible for the provincial anti-drug strategy/Ministre de la Santé, ministre déléguée à la Stratégie antidrogue provinciale
- Laughren, Hon/L'hon Floyd** (Nickel Belt ND) Deputy Premier, Treasurer of Ontario and Minister of Economics/Vice-premier ministre, Trésorier de l'Ontario et ministre de l'Économie
- Lessard, Wayne (Windsor-Walkerville ND) PA to Minister of Colleges and Universities/Ap du ministre des Collèges et Universités
- Mackenzie, Hon/L'hon Bob** (Hamilton East/-Est ND)
Minister of Labour/Ministre du Travail
- MacKinnon, Ellen (Lambton ND) Vice-Chair, standing committee on the Legislative Assembly/Vice-Présidente du Comité permanent de l'Assemblée législative
- Mahoney, Steven W. (Mississauga West/-Ouest L) chief opposition whip/Whip en chef de l'opposition
- Malkowski, Gary (York East/-Est ND) PA to Minister of Citizenship, responsible for human rights, disability issues, seniors' issues and race relations/Ap de la ministre des Affaires civiques, déléguée aux Droits de la personne, aux Affaires des personnes handicapées, aux Affaires des personnes âgées et aux Relations interraciales
- Mammoliti, George (Yorkview ND) PA to minister responsible for the provincial anti-drug strategy/Ap de la ministre déléguée à la Stratégie antidrogue provinciale
- Mancini, Remo (Essex South/-Sud L) Chair, standing committee on general government/Président du Comité permanent des affaires gouvernementales
- Marchese, Rosario (Fort York ND) PA to the Premier, PA to Minister of Intergovernmental Affairs/Ap du premier ministre, ap du ministre des Affaires intergouvernementales
- Marland, Margaret (Mississauga South/-Sud PC) Vice-Chair, standing committee on estimates/Vice-Présidente du Comité permanent des budgets des dépenses
- Martel, Hon/L'hon Shelley** (Sudbury East/-Est ND) Minister of Northern Development and Mines/Ministre du Développement du Nord et des Mines
- Martin, Tony (Sault Ste. Marie/Sault-Sainte-Marie ND) PA to Minister of Education/Ap de la ministre de l'Éducation
- Mathyssen, Irene (Middlesex ND) PA to Minister of the Environment, government whip/Ap de la ministre de l'Environnement, whip du gouvernement
- McClelland, Carman (Brampton North/-Nord L)
- McGuinty, Dalton J.P. (Ottawa South/-Sud L)
- McLean, Allan K. (Simcoe East/-Est PC) Vice-Chair, standing committee on government agencies/Vice-Président du Comité permanent des organismes gouvernementaux
- McLeod, Lyn (Fort William L)
- Miclash, Frank (Kenora L) opposition chief whip/Whip en chef de l'opposition
- Mills, Gord (Durham East/-Est ND) PA to Solicitor General/Ap du Solliciteur général
- Morin, Gilles E. (Carleton East/-Est L) Deputy Speaker and Chair of the Committee of the Whole House/Vice-Président et Président du Comité plénier de l'Assemblée législative
- Morrow, Mark (Wentworth East/-Est ND) Chair, standing committee on the Ombudsman; Vice-Chair, standing committee on administration of justice/Président du Comité permanent de l'ombudsman, vice-président du Comité permanent de l'administration de la justice
- Murdoch, Bill (Grey PC)
- Murdock, Sharon (Sudbury ND) PA to Minister of Labour/Ap du ministre du Travail
- North, Hon/L'hon Peter** (Elgin ND) Minister of Tourism and Recreation/Ministre du Tourisme et des Loisirs

O'Connor, Lawrence (Durham-York ND) PA to minister responsible for the greater Toronto area; Vice-Chair, standing committee on regulations and private bills/
Ap de la ministre responsable du Bureau de la région du grand Toronto, vice-président du Comité permanent des règlements et des projets de loi privés

Offer, Steven (Mississauga North/-Nord L)

O'Neil, Hugh P. (Quinte L)

O'Neill, Yvonne (Ottawa-Rideau L) opposition deputy whip/
Whip adjointe de l'opposition

Owens, Stephen (Scarborough Centre/-Centre ND) PA to Minister of Financial Institutions, government whip/
Ap du ministre des Institutions financières, whip du gouvernement

Perruzza, Anthony (Downsview ND) PA to Minister for Skills Development/Ap du ministre de la Formation professionnelle

Philip, Hon/L'hon Ed (Etobicoke-Rexdale ND) Minister of Industry, Trade and Technology/Ministre de l'Industrie, du Commerce et de la Technologie

Phillips, Gerry (Scarborough-Agincourt L)

Pilkey, Hon/L'hon Allan (Oshawa ND) Solicitor General, Minister of Correctional Services/Solliciteur général, ministre des Services correctionnels

Poirier, Jean (Prescott and Russell/Prescott et Russell L)

Poole, Dianne (Eglinton L) Vice-Chair, standing committee on public accounts/Vice-Présidente du comité permanent des comptes publics

Pouliot, Hon/L'hon Gilles (Lake Nipigon/Lac-Nipigon ND) Minister of Transportation, minister responsible for francophone affairs/Ministre du Transport, ministre délégué aux Affaires francophones

Rae, Hon/L'hon Bob (York South/-Sud ND) Premier, Minister of Intergovernmental Affairs/Premier ministre, ministre des Affaires intergouvernementales

Ramsay, David (Timiskaming L)

Rizzo, Tony (Oakwood IND)

Runciman, Robert W. (Leeds-Grenville PC) Chair, standing committee on government agencies/Président du Comité permanent des organismes gouvernementaux

Ruprecht, Tony (Parkdale L)

Scott, Ian G. (St. George-St. David L)

Silipo, Hon/L'hon Tony (Dovercourt ND) Chairman of the Management Board of Cabinet/Président du Conseil de gestion du gouvernement

Sola, John (Mississauga East/-Est L)

Sorbara, Gregory S. (York Centre/-Centre L)

Sterling, Norman W. (Carleton PC)

Stockwell, Chris (Etobicoke West/-Ouest PC)

Sullivan, Barbara (Halton Centre/-Centre L)

Sutherland, Kimble (Oxford ND) PA to Chairman of the Management Board of Cabinet; Vice-Chair, standing committee on finance and economic affairs/Ap du président du Conseil de gestion du gouvernement, vice-président du Comité permanent des finances et des affaires économiques

Swarbrick, Anne (Scarborough West /-Ouest ND)

Tilson, David (Dufferin-Peel PC)

Turnbull, David (York Mills PC)

Villeneuve, Noble (S-D-G & East Grenville/S.-D.-G. & Grenville-Est PC) Second Deputy Chair of the Committee of the Whole House/Deuxième vice-président du Comité plénier de l'Assemblée législative

Ward, Brad (Brantford ND) PA to Minister of Industry, Trade and Technology with responsibility for trade and technology/
Ap du ministre de l'Industrie, du Commerce et de la Technologie et délégué au Commerce et à la Technologie

Ward, Margery (Don Mills ND) PA to Minister of Government Services/Ap du ministre des Services gouvernementaux

Wark-Martyn, Hon/L'hon Shelley (Port Arthur ND) Minister of Revenue/Ministre du Revenu

Warner, Hon/L'hon David (Scarborough-Ellesmere ND) Speaker; Co-Chair, special committee on the parliamentary precinct/Président, coprésident du Comité extraordinaire de l'enceinte parlementaire

Waters, Daniel (Muskoka-Georgian Bay/Muskoka-Baie-Georgienne ND) PA to Minister of Tourism and Recreation; Vice-Chair, standing committee on resources development/
Ap du ministre du Tourisme et des Loisirs, vice-président du Comité permanent du développement des ressources

Wessinger, Paul (Simcoe Centre/-Centre ND) PA to Minister of Health/Ap de la ministre de la Santé

White, Drummond (Durham Centre/-Centre ND) Vice-Chair, standing committee on the Ombudsman/
Vice-président du Comité permanent de l'ombudsman

Wildman, Hon/L'hon Bud (Algoma ND) Minister of Natural Resources, minister responsible for native affairs/Ministre des Ressources naturelles, ministre délégué aux Affaires autochtones

Wilson, Hon/L'hon Fred (Frontenac-Addington ND) Minister of Government Services/Ministre des Services gouvernementaux

Wilson, Gary (Kingston and The Islands/Kingston et Les Îles ND) PA to Minister of Culture and Communications/
Ap de la ministre de la Culture et des Communications

Wilson, Jim (Simcoe West/-Ouest PC)

Winniger, David (London South/-Sud ND) PA to Attorney General, PA to minister responsible for native affairs/Ap du Procureur général, ap du ministre délégué aux Affaires autochtones

Wiseman, Jim (Durham West/Durham-Ouest ND) PA to Minister of Correctional Services/Ap du ministre des Services correctionnels

Witmer, Elizabeth (Waterloo North/-Nord PC)

Wood, Len (Cochrane North/-Nord ND) PA to Minister of Natural Resources/Ap du ministre des Ressources naturelles

Ziemba, Hon/L'hon Elaine (High Park-Swansea ND) Minister of Citizenship, minister responsible for human rights, disability issues, seniors' issues and race relations/Ministre des Affaires civiques, déléguée aux Droits de la personne, aux Affaires des personnes handicapées, aux Affaires des personnes âgées et aux Relations interraciales

**COMMITTEES OF THE LEGISLATIVE ASSEMBLY
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Estimates/Budgets des dépenses

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Clerk/Greffier: Franco Carrozza

Finance and economic affairs/

Finance et affaires économiques

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CONTENTS

Thursday 3 October 1991

Private members' public business		Political activity by police officers	2710
Unsolicited Facsimile Transmissions Act, 1991,		Mr Pilkey	
Bill 134	2693	Responses	
Mr Cousens	2693	Waste reduction	2710
Mr Kormos	2694	Mr Grandmaître	
Mr Curling	2695	Political activity by police officers	2710
Mr McLean	2696	Mr Curling	
Mr Frankford	2697	Mr Carr	
Mr Harnick	2697	Waste reduction	2711
Mr Wessenger	2698	Mr Turnbull	
Mr White	2698	Attendance of Premier	2711
Mr Cousens	2698	Mr Miclash	
Agreed to	2706	Mr Cooke	
Public Sector Food Services Act, 1991, Bill 133	2699		
Ms Haeck	2699		
Mr Cleary	2700		
Mr McLean	2701		
Mr Hayes	2702		
Mr Cordiano	2703		
Mr J. Wilson	2704		
Mr Dadamo	2705		
Ms Haeck	2706		
Agreed to	2706		
Members' statements		Oral questions	
Anniversary of German reunification	2707	Government spending	2711
Mr Daigeler		Mr Conway	
Toronto Blue Jays	2707	Mr Laughren	
Mr Arnott		Tax revenues	2712
Arts festival	2707	Mr Conway	
Mr G. Wilson		Mr Laughren	
Toronto Blue Jays	2707	Small business	2713
Ms Poole		Mr Carr	
Hospital financing	2708	Mr Philip	
Mr J. Wilson		Ontario public service salaries and benefits	2714
Landlord-tenant co-operation	2708	Mr Stockwell	
Mr Mammoliti		Mr Silipo	
Shipbuilding industry	2708	School curriculum	2715
Mr Bradley		Mr Beer	
Ontario Hydro legislation	2708	Mrs Boyd	
Mr Jordan		Assistance to de Havilland	2716
Robert Middaugh	2709	Mr Carr	
Mr Christopherson		Mr Philip	
Toronto Blue Jays	2709	Electrolytic epilation	2716
Mr Malkowski		Mr Owens	
Visitors	2709	Ms Lankin	
The Speaker		Gasoline prices	2717
		Mrs Y. O'Neill	
		Mr Laughren	
		Hunting in Algonquin Park	2717
		Mr McLean	
		Mr Wildman	
		Fuel spill	2718
		Mr McClelland	
		Mrs Grier	
		Public safety	2718
		Mr Cordiano	
		Ms Gigantes	
		Labour legislation	2719
		Mrs Witmer	
		Mr Mackenzie	
Waste reduction	2709		
Mr F. Wilson			

Petitions

Oath of allegiance	2719
Mr Henderson	
Tobacco taxes	2720
Mr Villeneuve	
Mr McLean	
Oath of allegiance	2720
Mr J. Wilson	
Government policy	2720
Mrs Cunningham	
Nursing homes	2720
Mr McGuinty	

Second readings

Power Corporation Amendment Act, 1991,	
Bill 118	2720
Mr Carr	2720
Mr Huget	2729
Mr McGuinty	2729

Power Corporation Amendment Act, 1991 (continued)

Mr Stockwell	2729
Mr Duignan	2730
Ms Harrington	2730
Mr Jordan	2732
Mr Mahoney	2733
Mrs Y. O'Neill	2733
Mr J. Wilson	2737
Adjourned	2742

Business of the House	2742
Mr Cooke	

Lists of members

Members and their responsibilities
Committees of the Legislative Assembly

TABLE DES MATIÈRES

Le jeudi 3 octobre 1991

Affaires d'intérêt public émanant de simples députés

Loi de 1991 sur les transmissions par télécopie non	
sollicitées, projet de loi 134	2693
Adoptée	2706
Loi de 1991 sur les services d'alimentation du secteur	
public, projet de loi 133	2699
Adoptée	2706

Deuxième lecture

Loi de 1991 modifiant la Loi sur la Société de l'électricité,	
projet de loi 118	2720
Débat ajourné	2742

Listes des députés

Les députés et leurs responsabilités
Comités de l'Assemblée législative



64 1991

64 1991

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Legislative Assembly of Ontario

First Session, 35th Parliament

Official Report of Debates (Hansard)

Monday 7 October 1991

Assemblée législative de l'Ontario

Première session, 35^e législature

Journal des débats (Hansard)

Le lundi 7 octobre 1991



Speaker
Honourable David Warner

Clerk
Claude L. DesRosiers

Président
L'honorable David Warner

Greffier
Claude L. DesRosiers



Table of Contents

Table of Contents for proceedings reported in this issue appears at the back, together with an alphabetical list of members of the Legislative Assembly of Ontario.

Reference to a cumulative index of previous issues may be obtained by calling the Hansard Reporting Service indexing staff at (416) 325-7400.

Table des matières

La table des matières des séances rapportées dans ce numéro se trouve à l'arrière de ce fascicule, ainsi qu'une liste alphabétique de députés de l'Assemblée législative de l'Ontario.

Il existe un index cumulatif des numéros précédents. Les renseignements qu'il contient sont à votre disposition par téléphone auprès des employés de l'index du Journal des débats au (416) 325-7400.

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Effective with the opening of the Second Session of the 35th Parliament, Hansard issues and pages will once again be numbered on a sessional basis. Hansard numbering therefore will become consistent with Orders and Notices and Votes and Proceedings, and with other parliamentary publications throughout Canada.

For the last two years Hansard has been numbered according to the calendar year. Under this system, the numbering of issues and pages was restarted with the first issue in the calendar year, regardless of session or Parliament.

Under the new system, the sequence of numbering started in January 1991 will end with the final House and committee sittings of the present First Session. A new sequence will begin on the opening day of the Second Session, and each succeeding session, which will be issue 1 and begin with page 1. Committee reports likewise will be numbered from the first sitting of each committee in a parliamentary session.

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Avec le nouveau système, la numérotation commencée en janvier 1991 s'arrêtera à la dernière séance de la Chambre et des comités de l'actuelle première session. Une nouvelle série commencera le jour de l'ouverture de la deuxième session et des sessions suivantes : numéro 1, page 1. Les rapports des comités seront également numérotés à partir de la première séance de chaque comité pour une session parlementaire donnée.

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LEGISLATIVE ASSEMBLY OF ONTARIO

Monday 7 October 1991

The House met at 1330.
Prayers.

MEMBERS' STATEMENTS

CANADIAN FORCES BASE TRENTON

Mr H. O'Neil: Over this past weekend, Canadian Forces Base Trenton, which is located in my riding of Quinte, celebrated its 60th anniversary.

As part of this celebration, they were presented with the freedom of the city by the mayor and council of the city of Trenton. With colours flying, bayonets fixed and drums beating, all ranks from CFB Trenton marched over the veterans' Skyway Bridge Friday afternoon. At city hall, the mayor welcomed the assembled ranks and read the proclamation conferring their freedom of the city.

The proclamation was presented to Colonel Doug Wilson, the base commander. I was proud to present plaques from the Premier on behalf of the government of Ontario and from Lieutenant Governor Lincoln Alexander on behalf of the Queen, honouring them for their participation in the two world wars, the Korean conflict and the Persian Gulf crisis.

They have also distinguished themselves by their great humanitarian efforts worldwide, along with their ongoing peacekeeping and rescue missions.

I ask the members to join me in recognizing the men and women of Canadian Forces Base Trenton.

FOOD DRIVE

Mr Jackson: I wish to announce that today marks the beginning of Burlington's first ever city-wide food drive, which will continue until Wednesday October 16, next week.

In response to an increasing demand for food banks in our community, the Burlington food drive committee was established as a coalition to help raise additional food supplies to replenish dwindling stocks and to co-ordinate the community resources of the agencies serving the needy in Burlington. These agencies include the Salvation Army, Project Partnership, the Burlington East Emergency Food Bank, the Community Unity Food Bank and the St Vincent de Paul Society.

Special dropoff depots have been set up at a number of locations around Burlington for the collection of non-perishable food items. Several high schools are also participating with their own service projects. The initial response to the food drive by the citizens of Burlington, the corporate sector and service clubs has been very good.

As chairman of the Burlington food drive committee, I want to extend an open invitation to everyone in my community to consider the true meaning of Thanksgiving and give what they can to help the less fortunate.

On behalf of the needy in our community, I want to thank all those who will participate in our food drive this week. Your kind generosity will allow many individuals and their families to welcome Thanksgiving Day this year

with a sense of hope and confidence which comes from knowing there are people like yourselves who are ready to help them in their time of personal need.

CITY PLANNING

Mr Frankford: We have been celebrating the 30th anniversary of the founding of the New Democratic Party this year. I want to draw to the House's attention another landmark 30th anniversary. It is 30 years since the book *Death and Life Of Great American Cities*, by Jane Jacobs, appeared. A few weeks ago I was very pleased to attend a symposium where town planners, architects, politicians and admirers in general paid tribute to this influential book.

I would like to think it is not necessary to tell members of this House what the book is about, but for those who may not have read it, it looks bluntly at the problems of urban life and city development and finds that most city planning has gone in the wrong direction. It is not negative criticism. Jane Jacobs puts forward rules for cities that will work.

Perhaps regrettably, a new approach is still needed 30 years later. We need cities that are livable, that have streets that are safe to walk on and that develop sturdy economies and cultures. We need the mixes of neighbourhoods and housing types that Jane advocates.

Jane and her family immigrated to Toronto and have now lived here for several years, within walking distance of this Legislature. I am sure members of this House share my pride that this eminent urban critic continues to find our city a livable one.

LIFE SCIENCES TECHNOLOGY PARK

Mr Daigeler: Last December I wrote to the Minister of Industry, Trade and Technology asking him to maintain the Liberal government's support for the Ottawa Life Sciences Technology Park. In his response, the minister said he wanted to review this plan and consult with the ministries of Government Services and Health.

The people of Ottawa-Carleton have now waited long enough. It is time for a decision by this government. Apparently the matter was supposed to go before cabinet in August. It is October, and we still have not received an answer. The Life Sciences Technology Park is an exciting industrial development project that has the potential for bringing thousands of highly skilled innovative jobs to eastern Ontario.

Major partners have worked diligently on this venture for several years: our two universities, the hospitals in the Ottawa area, the Ottawa-Carleton Economic Development Corp, the federal government and our own ministries of Industry, Trade and Technology, Health and Government Services. It is time to bring these efforts to fruition. Ontario's support will be the long-awaited final signal to start construction and to attract more biotechnology companies to Ottawa.

I call on the minister to exercise leadership among his cabinet colleagues and to gain their approval as quickly as possible for the Ottawa Life Sciences Technology Park.

AIDS AWARENESS WEEK

Mr J. Wilson: I rise to day in my capacity as Health critic for the Ontario Progressive Conservative Party to recognize AIDS Awareness Week in the province.

In response to a protest last month and a 10-kilometre walk yesterday, the government announced \$2.1 million in funding to assist in the fight to conquer the AIDS disease. While any moneys that contribute to the war on this deadly disease are welcomed, members on this side of the House and the AIDS community and the AIDS community-based groups are still left with one overriding concern.

The struggle continues. My concern is that nothing in the Minister of Health's announcement yesterday addresses the real problem, that of research and finding a cure to combat the killer HIV virus.

While the minister's announcement yesterday provides an enhanced structure to treat AIDS, it falls silent in the one area that matters most to people living with HIV and AIDS, that is, it fails to strike decisively at the source of the disease. The announcement also offers nothing in the way of research into treatment and care for infected people who are living longer lives.

Thousands are living with this disease in Canada, and they are contributing to our society. As a people and as individuals, we have a moral obligation to find both a compassionate and an expeditious cure for the destructive HIV virus.

As the sand slips through the opening and a cure for the virus remains unfound, people are dying. By killing time we are contributing to killing people. We must not deal in platitudes. We must focus upon attitudes and develop the necessary will to wipe out this dreaded HIV killer.

That is precisely the role each of us has to play during AIDS Awareness Week, as legislators, as a government and as members of a community and a society, and I would urge strongly everyone to assume his or her role.

1340

WHITBY CENTRE RECREATION COMPLEX

Mr White: I rise today to congratulate the town of Whitby and its municipal council upon the opening of the Whitby Centre Recreation Complex.

This civic project reflects the vision of Whitby's town council over the past five years. It is a building which matches the architectural uniqueness and beauty of its neighbour, the town hall. At present, this attractively appointed structure houses meeting rooms, aerobic and exercise rooms, and the best-designed indoor swimming recreational centre I have ever seen.

This distinctive building may be expanded to include the main branch of the town library and also a second phase added to the recreational complex that would include gymnasias, community rooms and racket sports facilities. Accommodations have already been made to include those expansions onsite.

These buildings are sited to the north of urban Whitby and will increasingly become the hub of the town as it continues to grow. Whitby's population is expected to grow by tens of thousands of residents, close to 50% in the foreseeable future. The town council

has shown the wisdom to anticipate that growth with such a building as will be a source of pride for generations.

I am proud to be a resident of Whitby and proud that I represent that town in the provincial Parliament. I invite members to visit my fine community and enjoy the many features that Whitby has to offer.

EMPLOYMENT EQUITY

Mr Curling: The August 1991 edition of the Equity Newsletter has these words from Carol McGregor, a respected human rights advocate: "Over the past few months, it has become quite apparent that the Rae government has backed away from their campaign promises. The next victim may well be the employment equity legislation that was this government's priority." Ms McGregor goes on to detail some significant reversals on employment equity by the NDP.

It is interesting to note that although Bill 172 followed two years of consultation by the NDP—with whom we are not quite certain—the Minister of Citizenship has been singularly unsuccessful in putting together a consultation process that would last a mere six weeks.

Last spring, to great fanfare and at great expense, it was announced that a consultation document would be released late August and that the consultation would begin mid-October. The document never appeared and the consultation process was put on hold.

There are rumours that the new date for these on-again, off-again consultations is some time early in November, but nobody really knows, and the minister has apparently decided that she does not have to explain why the previously planned consultations were so abruptly cancelled. What is going on here?

I remind the Minister of Citizenship that Bill 172, despite its flaws, received support from members of all three parties in this House. If it was good enough for the Premier then, surely it is good enough to serve as basis for discussion now.

KAY LIVINGSTONE AWARD

Mrs Cunningham: Yesterday, the Ontario region of the Congress of Black Women of Canada presented the Kay Livingstone tribute and award in London, Ontario. I had the pleasure of attending this ceremony, and today I am pleased to rise in the House to congratulate Verda Cook of Toronto, this year's winner of the Kay Livingstone Award.

The Congress of Black Women of Canada was established 20 years ago by Kay Livingstone, remembered for her work among minority groups and in the performing arts. Its mandate, through a program of education and service, will motivate black women to participate in the life of their communities, clarify and bring due recognition to the role of black women in Canadian society and improve the welfare of black women and their families in their communities.

Through educational films, panel discussions, guest speakers, social functions and field trips, they have begun to establish some of their goals. Gwen Jenkins, London chapter chairperson, stated: "Our congress feels it's very important to meet and help black women. We share a

feeling of togetherness and sisterhood. We rejoice in our blackness."

Prejudiced attitudes towards ethnic people can only be changed through education. It is encouraging to see that the Congress of Black Women of Canada is pursuing its goals in the hope of making a difference. I congratulate them for their significant efforts in changing the attitudes of Canadians towards minority groups, and especially Verda Cook for winning this year's Kay Livingstone Award.

SHELTER FOR WOMEN

Mr O'Connor: On August 14, 1989, in the town of Georgina, Reta Alegretti was strangled and stabbed to death by her husband. On March 18, 1990, in Georgina, Donna Morris was stabbed to death by her husband. On May 2, 1990, in Georgina, Joan Nugent was shot in the back with a sawed-off shotgun by a man she had been involved with. On January 31, 1991, in the town of Georgina, Ellen Kavanaugh was stabbed repeatedly with a knife and then axed to death by her estranged husband.

Last Thursday, the town of Georgina celebrated the grand opening of an animal shelter. Three days earlier, the committee of adjustments in the town of Georgina rejected the proposal for a minor variance on property to be purchased for a women's shelter because there were not enough parking spaces.

I am saddened and sickened by this latest decision, in an area that has three times the rate of domestic abuse as all of York region. Of course, cats and dogs have to be taken somewhere to be protected from cruel treatment, but our daughters, our sisters and our mothers have to have somewhere to turn to escape life-threatening situations.

Friends of Ellen Kavanaugh have said she would have sought out the protection of a shelter if it had been available. We are talking about women's lives. Surely we can find solutions to parking spaces. I applaud and support the efforts made thus far by the Committee Against Domestic Abuse, CADA, and the newly formed Women's Shelter of Georgina Inc. I implore the people of Georgina to put aside differences that may stand in the way of this project going ahead and to work with Women's Shelter of Georgina Inc to make sure there are no more tragic deaths.

CORRECTION

Ms Poole: On a point of order, Mr Speaker: I believe it is incumbent on all members to correct the record if at any time they inadvertently have misstated a case. On Thursday, in a member's statement, I congratulated the people from all four corners of this province and all regions who supported the Toronto Blue Jays so strongly. Inadvertently, I forgot to mention the far north, so my apologies to the member for Kenora and the member for Lake Nipigon for not mentioning the people of northwestern Ontario, who I know are avid Blue Jay fans and are there with the rest of Ontario.

The Speaker: Your point of order is well taken.

ORAL QUESTIONS

RETAIL SALES TAX

Mr Elston: It does not go without notice that this government continues to announce all of its major policies outside the House so that it does not allow us to provide some comment, but we will talk about that another day.

I want to go to my favourite minister and favourite storyteller, the Treasurer, who for the last couple of weeks has been leading us on a merry chase down a very winding and twisted road, if I might say so. I would like to observe that last week the Treasurer did not believe the Statscan predictions that said retail sales were declining by some 8% this year. He did not therefore take into account the impact of these declining retail sales on his budget and, as a result, retail sales revenue.

Could the Treasurer explain the difference between the 5.3% decline in retail sales predicted on page 43 of his budget and the 2.6% decline in sales tax revenues predicted on page 60 of that document?

Hon Mr Laughren: I do not have the document in front of me, so I will talk in terms more general than specific, if you will allow me to do that, Mr Speaker.

The budget forecast a decline in retail sales revenues this year. There is no question about that. We believe that forecast was reasonably accurate and we are not off the target of retail sales that we had forecast in the budget. If we look at the specific number, I believe the budget forecast a 2.7% decline in retail sales; I think that was the precise number in the budget. It was based on a retail sales decline of 5.3% in 1991. Members have to understand, of course, that there were some changes made in the budget that would increase retail sales revenues to us. For example, when you increase the price of cigarettes, alcohol, gasoline and so forth, there is a built-in increase in sales tax revenues for the province in that regard.

1350

Mr Elston: I want to thank the Treasurer for continuing my faith in him as a storyteller. There are some predictions that the Treasurer's revenues next year may be off by as much as \$4 billion, thereby being below his projections, meaning a \$13.5-billion deficit next year. Can the Treasurer confirm that there is in fact a \$4-billion problem for him next year in his revenues and tell us what he intends to do about the problem he is faced with in trying to meet his \$9-billion deficit for next year as a result of the softening revenue figures?

Hon Mr Laughren: I think the Leader of the Opposition is making some heroic assumptions that at this point in time are not appropriate.

Mr Elston: I am reading the press.

Hon Mr Laughren: That is the member's first mistake.

We do think that while some of the growth in revenues next year will be based on natural growth in the economy because of increased prices through inflation and so forth, when you factor out the rate of inflation and get down to real numbers, as the economists are wont to say, then the member is quite right: The revenues, without some kind of

sales tax increases—I should not say sales tax; any kind of tax revenues—would be reasonably flat.

Mr Elston: The plot thickens, but I am not sure what the plot is other than to say that the Treasurer continues to get mired down in his inability to understand what is going on with his budget.

The Treasurer has already speculated publicly about new tax increases. Given his fairly flat revenues, can the Treasurer confirm that raising taxes may be his only option for maintaining next year's \$8.9-billion deficit?

Hon Mr Laughren: I do not think so. The forecast that was in the budget, which laid out the three years following 1991-92, was based on a number of assumptions: (1) that there was going to be growth in the economy in those out years, as compared to the year we are in now, and when you get growth in the economy, you get what I would call natural growth in government revenues; (2) that there would be some tax increases during those three years, and I have never pretended otherwise; (3) that we will manage our expenditures to the best of our ability to ensure that we keep in line with what we forecast will be our revenues and expenditures, therefore leading to the deficits that are forecast in the budget paper.

Mr Elston: We will be unfolding the next page of this continuing story, which this man is trying to foist on the people of Ontario, at another date.

SOFT DRINK CONTAINERS

Mr Elston: I would like to talk for a moment to the Minister of the Environment, because she has had a long year of activity and she has had a chance to make a whole series of interesting speeches. I want to take her back to one of the first speeches she made. In opposition, she clearly supported refillables in the soft drink industry. In fact, during the election campaign, her leader stated unequivocally their party's commitment to a refillable system for all beverage containers.

A year ago, at the Recycling Council of Ontario's meeting, the minister, in her debut speech, announced she would require soft drink companies to sell 30% of their product in refillable containers. Is that still her position?

Hon Mrs Grier: Yes, it is.

Mr Elston: Having confirmed that, can she explain to us why soft drink companies are selling only 7.6% of their product in refillable bottles? If she is still willing to confirm that, can she tell us how she expects to make the 30% figure stick?

Hon Mrs Grier: Obviously I am very disappointed that the soft drink companies are not reaching the 30%. I said in the speech to which the member referred that I thought companies that had marketed their product worldwide and persuaded everybody to drink their soft drinks ought to be able to market their product in refillable containers. They made some efforts with advertising earlier this year, and they still have not.

There is a number of things that can be done. For example, in Europe there are refillable PET containers that can be used. There ought to be refillable single-serving

containers. The industry has done none of those here in Ontario, and I regret that.

What we have done is say to the soft drink industry, "Give us your proposals on how we can resolve both the issue of getting to the quota of 30% and dealing with waste." I know a lot of people in the province feel the soft drink industry is a symbol of waste. The soft drink industry came back with an action plan which it gave to my ministry. It has been extensively discussed, does not yet provide a solution to the problem and is still being reviewed.

Mr Elston: I am glad the minister got back to the report which was given to her in June—not just to her ministry, but to her. There were some three days of meetings between the soft drink industry, herself, her ministry and the environmental groups to come up with a solution. In addition to those three days, she has had that program since June and still she is unable to tell us about any concrete steps she is taking to enforce what she says is her position of 30% refillables. When is the minister going to stop telling stories like her buddy the Treasurer?

Hon Mrs Grier: I reject the last statement by the member categorically. "Telling stories like her buddy the Treasurer" is, I suspect, not parliamentary and certainly not something that either of us do in this House.

Let me say to the member that the three days of meetings last June to which he referred were meetings of stakeholders called together by my ministry. We involved the trade union movement, we involved the industry, we involved the environmental groups, we involved the bottling industry, the canning industry, anybody who had an interest in this subject.

I had hoped after two days they might have come together for a consensus. When they asked for an additional day, I was even more optimistic they would come up with a consensus. They have not, and the investigations and enforcement branch of the ministry is continuing to enforce the regulation.

VISITORS

The Speaker: Before continuing with our business, I wish to draw to members' attention that we have been joined this afternoon by an official delegation from two of the newly independent Baltic states of Estonia and Lithuania. The delegation is seated in the east members' gallery. If members would please welcome them to our midst.

1400

LABOUR LEGISLATION

Mrs Witmer: My question is to the Minister of Labour. Last week a Canadian Federation of Independent Business survey revealed that nearly three quarters of small businesses in this province are extremely worried about the minister's proposed labour legislation. On September 23 my leader asked the minister to tell this House what impact studies on job losses have been undertaken. Since the minister failed to answer the question at that time, I will ask him again, has he or has he not done impact studies to determine how many jobs will be lost in this province as a direct result of his plans to change the Labour Relations Act?

Hon Mr Mackenzie: I would say to the member that until we have prepared and put out the discussion paper, it would not make an awful lot of sense, based on the information available, to try to conduct impact studies on what is at this point in time an unknown.

Mrs Witmer: This morning we spoke with Lanny Elliott, the general manager of Peerless-Cascade Plastics Ltd in Windsor. If these changes become law, Peerless is considering scrapping its plans to double employment over the next few years and may leave Ontario altogether. The president of Peerless has twice written to the Premier and he said he is "appalled and terrified of the certain disastrous consequences of the legislation." In a May 21 letter to the Premier he stated, "It is time to do what is best for Ontario and not just certain interest groups." What does the minister have to say to Peerless and its 270 employees?

Hon Mr Mackenzie: As we have done with any number of groups, we would be more than happy to meet with them, but I am not sure there is much merit in responding to speculation, or that the member really agrees we should not involve all the parties in the plans for the future of Ontario.

Mrs Witmer: I indicated to the minister last week that I feel it is extremely important for all people in this province to be involved and consulted. The survey last week indicated that 36% of the small businesses in this province are already considering packing their bags, and this was before the cabinet document was released. They would take with them 500,000 jobs. They are not blaming the federal government or the former Liberal government. They are blaming this government and its antibusiness agenda. Many people believe the minister's proposals are an effort to appease Bob White and the union leaders. Before we lose any more jobs in this province, will the minister agree to do an economic impact study and will he seriously consider the proposed changes to the Labour Relations Act?

Hon Mr Mackenzie: You cannot make changes to the Labour Relations Act when you have not decided finally what those changes might be. Also, it seems to me we have lost probably close to 250,000 jobs with the high dollar and the free trade agreement. I am not at all sure I would give as much precedence or credibility to the statement that we are going to lose 36% of the jobs. I do not know what that is based on.

Mr Runciman: Our second question is for the Solicitor General. I understand he is going to be in attendance today. Until he appears in the House, I would like to stand the question down.

The Speaker: The question will be stood down and we will pick it up in rotation.

Mr Callahan: Here he comes.

VISITORS

The Speaker: I would like to take this opportunity to invite members to welcome to our midst this afternoon, seated in the Speaker's gallery, a delegation from the embassy of Sweden in Ottawa headed by Ambassador Hakan Berggren and accompanied by Mr Mats Marling,

the consul general of Sweden. Would you please welcome them to our midst.

PUBLIC SAFETY

Mr Runciman: My question is to the Solicitor General. It deals with growing concern within Ontario. Every time we open a newspaper it reads more and more like the Detroit Evening News, when we read items like a teen tortured with a drill for 15 hours. Throughout the news this morning we were hearing about a swarming attack in Scarborough where over \$100,000 worth of merchandise was stolen, and we heard about a swarming attack in the Eaton Centre a couple of weeks ago.

I think the minister recognizes the fact—hopefully he does—that there is growing public concern with respect to public safety within this province and I am wondering how he is addressing this issue, how he is bringing it to his colleagues at cabinet. Could the minister give us an indication here today of the kinds of specifics he is recommending to deal with this growing concern?

Hon Mr Pilkey: I certainly do share with the member the concerns he has raised. They are circumstances that do not appeal to anybody in this province and are unwarranted actions that are not appreciated or desired. It is our hope, through the added involvement of community policing, that citizenry as well as those charged with the direct responsibility of law enforcement can work in an ever increasingly harmonious way to take an active interest in the protection of their communities and neighbourhoods. That will be pursued, coupled with the upgrading of police initiatives wherever they are appropriate and deemed to be beneficial to help stem this problem.

The basic question in terms of what motivates some individuals to these acts often is a mystery to all of us, but I can assure the member that through community policing we hope this initiative will help us to assist in this kind of difficulty.

Mr Runciman: I am sure his answer will give a lot of solace to women in Burlington or Metro Toronto who are concerned about even walking within their own neighbourhoods. We have a record murder rate in Metro Toronto. Crimes against women over the past few years are up 200%. In the last two years the robbery rate in Metro has gone up 84%. We have a policeman saying we have an astounding increase in violent crimes, street muggings and purse snatchings. That sort of crime is skyrocketing.

The minister gets up in this House and has a non-answer. I asked him for specific policies he has taken to cabinet. What kinds of recommendations is he taking to his cabinet colleagues with respect to this growing crisis? How is he dealing with it? Let's not have this kind of mealy-mouthed rhetoric. Let's have some specifics.

Hon Mr Pilkey: I appreciate the member's animated attempt at asking a question. These are societal problems. They are circumstances to which there is no easy answer in Ontario, in Canada and throughout the world. I simply want to indicate to the member that I believe our police enforcement to be one of the finest in the world, and there are our added attempts at community policing. If there are

any particular suggestions the member has that will assist us, we are all too eager to have those as well so that we might incorporate them.

Mr Runciman: They have been in office for over a year and they are looking to us for direction. Obviously this minister has no ideas. He is not taking any specifics to cabinet. The Highway 401 corridor between Belleville and Quebec, for example, has hardly any coverage in the evening hours. My colleague the member for Simcoe West has expressed concern about the lack of 24-hour coverage. The member for Dufferin-Peel has talked about policemen having to drive their own cars. In eastern Ontario we have patrol cars tied down to their parking lots because they cannot afford repairs. The OPP is talking about cutbacks.

What has the minister done? He has taken away the oath of office, the Golden Helmets and the pipe band. What has he given them? He has given them Susan Eng and a commissioner in Peel region who thinks all policemen lie on the witness stand. This is a crisis situation. We are looking to the minister for direction. The police officers, men and women in blue across this province, are looking to him to stand up for them around the cabinet table, and the Treasurer is saying, "Cut, cut, cut." This is one area where we want him to stand up for policemen and policewomen. Let's hear some specifics today.

Hon Mr Pilkey: First of all, I congratulate the member for his absolutely wide range of opinions on this topic. He started with matters that are societal problems of a very dramatic nature and is now suggesting we might have solved some of these absolute tragedies perpetrated on victims by altering the Golden Helmets and the pipes and drum band.

I indicated that through community policing, adding court security to our very fine system of auxiliary policing, our drug abuse enforcement and our attempt at ever-increasing effective policing, we will try to challenge these crimes in our streets wherever and whenever we can find them. It was not a casual comment either that this government wishes to involve all members of the House on this issue or any other issue. In fact, if there are some suggestions forthcoming, I as a new minister in this portfolio would sincerely welcome them.

1410

ONTARIO ECONOMY

Mr Phillips: My question is to the Treasurer. Late last week we had more examples of economic bad news. I honestly do not think I have ever seen the confidence of the business community as low as it is today. Towards the end of last week we heard of the de Havilland layoffs of 1,300, at Philips Electronics of about 250 jobs and Maple Leaf foods another 150 jobs. We have here more than a full page of complete plant closures. We heard last week the Canadian Federation of Independent Business's very major concerns about the economy and the direction the government is heading in. There is virtually no support out there for the Treasurer's budget.

My question to the Treasurer is, when will he bring forward some specific plans, not the next budget, to get

the economy rolling again and restore confidence in the business community?

Hon Mr Laughren: There is no question the last year has been an extremely difficult one for the Ontario economy. However, to put the blame on a government that came into office in the middle of the severest recession in 50 years is really being simplistic and unfair. That is simply not the case.

I believe virtually every economist in this country would attach a lot more blame—I do not say this for the purpose of finger-pointing. Virtually everybody out there who watches economies and analyses them would tell the member that the greatest damage that has been done to the Ontario economy is not from the policies of this government; it simply is not the case. Most of the damage, in particular to the manufacturing economy in Ontario, has been done through an excessively high-priced dollar and the high interest rates over the last year.

Mr Phillips: If I might follow up on that, the Treasurer really never answered my question.

Interjections.

The Speaker: Could we have order, please. The member for Scarborough-Agincourt is attempting to pose a question. The Treasurer is attempting to hear the question, as I am.

Mr Phillips: This is just to follow up on the need for some new economic plans. I was very disappointed in the hearings we had on the budget. In my opinion, the Premier's office phoned people, got them to come out and loaded those hearings. I do not think that can be denied. We did not have an honest debate on the budget. The government counted up the number of presentations and then said the people Ontario were in favour of the budget. The fact of the matter is that the people of Ontario are looking for a new economic direction from the government.

I am asking him the question, is he going to wait until April before he brings forward some plans to get the economy going? That is six months from now. Will he undertake to bring forward to this House quickly some economic plans that will get the economy of Ontario going? We cannot blame the federal government. We live here in Ontario. It is the government's responsibility to get the economy moving. We cannot wait until April. I hope he will commit today that he will bring forward to this House some plans to get the economy moving.

Hon Mr Laughren: I think the first part of the member's comments were most inappropriate. If the majority of people who came out to speak to the committee on the budget, which travelled this province in the summer, had been in opposition to the budget, the member would have been on his feet saying, "Look, no one supports your budget."

Because the majority of people who came out and made a presentation to the committee were in support of the budget, the member says we somehow arranged for that to happen. I am sorry but the member has to live with the fact that the majority of people who made appearances before the committee understood that the budget brought

down in the spring was designed to fight the recession and to protect and create new jobs, not to make the recession worse. I hear the Conservative members of this Legislature calling for us to bring in policies that duplicate the policies of the federal government in Ottawa, and we are simply not going to do that.

I would say to the member for Scarborough-Agincourt that as this fall goes on, he can expect to hear from us some of our plans. I do not disagree with him that the economy of the province has been struggling this year. We are committed to the economic renewal of this province and we are determined to do what we can to make sure that happens.

BUDGET

Mr Sterling: My question is also to the Treasurer. I want to inform the Treasurer that businesses and people around this province did not hire people to follow the hearings around, as the Ontario Federation of Labour did. It had a person trailing the committee around, contacting labour councils ahead of time, contacting unions to make certain they would be out at the hearings. It was a disgusting display of power against what a committee is set up for in the first place.

Hon Mr Wildman: I have been here for 16 years and I have never seen that happen.

Mr Sterling: I had never seen it happen until this summer either. I have only been here 14 years.

The Speaker: The member's question?

Mr Sterling: In the Treasurer's spring budget, he was very specific about his forecasts for next year's economic recovery. He predicted that revenues would rise at a rate of 9.8%. Now we find out through the media, on Focus Ontario, that next year's revenues are going to be "flat" or "fairly flat." Those are his words from the transcript of Focus Ontario. What does "fairly flat" mean to him: 9.8%, 4% or 0%?

Hon Mr Laughren: As the member opposite did have in the first part of his question some reference to the budget hearings, I assume that was a part of his question to which he wants a response.

I would just respond to the member that he surely remembers back in the days of the Frank Miller budget when he expanded the sales tax base, and how Frank Miller, unlike us, stacked the committee hearings that were held in the Legislature. We did not do that.

When I indicated that I thought the revenues for 1992-93 were going to be somewhat flat, what I really meant and still mean was that for 1992-93, the numbers in the budget indicated fairly substantial revenue increases. Those revenue increases were a combination of two things. They were a combination of some new tax revenues, combined with a growth in the economy that would give us new revenues. There is nothing mysterious about it. That was what was in the budget document, not just for next year but for the two years following that as well.

Mr Sterling: What the Treasurer is telling me is that when he says "fairly flat," the revenues—I really wish he would make a statement on this in the House and not on

Focus Ontario. The Treasurer is saying they are fairly flat if there are no tax increases; is that correct? Therefore, can we expect a 9.8% tax increase if he is going to maintain his revenue projections next year?

Hon Mr Laughren: As I recall, what I said was that the growth in the economy next year is going to be somewhat sluggish. We are not going to have the rebound from the recession that we had 10 years ago. So in the budget, when we forecast what was going to happen in the next three years, we determined that it was going to take a combination of some tax increases and some expenditure management to get us at the deficit numbers that are in the budget forecast.

If the revenue numbers in the budget forecast are not achieved, then of course we will have to take a look at our expenditures to make sure there is a relationship between the revenues that are forecast and the deficit forecast as well.

There is nothing surprising about that. It is a case of us being determined to manage our expenditures in keeping with the revenues, whether they are up, below, or higher or lower than what we forecast they would be.

1420

NON-PROFIT HOUSING

Mr B. Ward: I think it is common knowledge and no secret that we have an affordable housing crisis in the province. Last spring I was pleased to see that part of our government's attempt to deal with that issue was to announce funding for 10,000 non-profit and co-operative housing units.

My question is the for Minister of Housing. Prior to the present minister coming on board, the previous minister, the member for Windsor-Riverside, announced details of this initiative under the Ontario non-profit housing program. I would appreciate it, and I am sure everyone in this House would appreciate it, if the minister could give us a status report on this program.

Hon Ms Gigantes: It would be my pleasure. The Project 10,000 program announced in the spring by my predecessor, the member for Windsor-Riverside, is well under way. We have 3,300 units now committed for development, representing proposals from 60 groups across the province in 38 municipalities, so we are moving.

Mr B. Ward: In my riding of Brantford we have a number of applications from organizations and groups that are in the process of attempting to get allocations. One group in particular, the Canadian Slovak League, has a very worthwhile project under way that I fully support, that I know the people of Brantford support. Could the minister give us a status on this particular application?

Hon Ms Gigantes: The Canadian Slovak League project will move ahead. It is a project that will develop 150 units for families, seniors and singles. It is moving ahead. We expect that it is going to produce about 180 jobs, along with affordable housing, and the overall P-10,000 program is estimated to be creating 20,000 jobs as we move ahead.

SABRINA PANETTA

Mr McClelland: I have a question for the Minister of Community and Social Services. I notice she is just stepping on the floor right now, and I wonder if I might wait a moment for her to take her seat.

Last Tuesday in this House, the minister and I had what might be termed a somewhat emotional exchange with respect to the Sabrina Panetta case. I want to acknowledge that she took the courtesy of meeting with me privately, and for that I thank her.

However, at the time in her response, she indicated to me, and I quote from Hansard, "We have received a great deal of conflicting information." In response to my supplementary she said: "The important issue here, in terms of the confusion of medical information, is that we must be absolutely certain this child is not at greater risk if taken out of the hospital. We have no confirming information from the medical practitioner"—ie, I presume, the little girl's physician—"that will allow us to believe that." This was in response to what I had said. "We have asked for it repeatedly."

I saw the physician on network television on Thursday evening. I have spoken with the physician. He takes the position that this is not in fact the case, that he is very clear and unequivocal in terms of what he says is best for this child.

Since last Tuesday, has the minister reconsidered? Is she prepared to show some compassion in this case and sign an order in council that would provide the opportunity for this child to die at home?

Hon Ms Akande: I recognize the concern of the member. I too am extremely concerned about this. He is correct in that I did say I have no medical information which would allow me to be certain the child was not at risk. We have even since that time organized—I spoke to the member the day after and invited him to be a part of the meeting with us, an invitation which, I might add, he declined. Since that time my staff has been speaking to the doctor and has in fact received a change in the condition of the child, and we are concerned because the condition is unstable.

We have continued to draw upon our resources to design options and ways in which we could be certain that when the child goes home, she will not be at risk. One recognizes that it is difficult, in that we have to be certain the child will be safe at home, that when the child's instability occurs every three or four days, as we are told, she will not be at risk on her way back to the hospital in the ambulance.

I will be willing to complete the answer after the member asks his supplementary.

Mr McClelland: I thought we were doing reasonably well to begin this question today, and then the minister stands in her place and says I declined. Let's make the record very plain here. What I declined to do with the minister was negotiate a settlement—her own words. This is not a negotiable matter. I do not negotiate in terms of a young child's dying wish. The minister asked me to negotiate and I declined to participate in negotiations.

How does she square that with her so-called advocacy legislation?

Here is what the doctor says: The doctor says the government has lied and deceived. The government and the minister do not have any concern about this girl, in the words of the doctor. They want her to die before she gets home. Call her today. She will just die, probably before the minister makes a decision.

How does the minister square that in terms of how she stands in this House and talks about her advocacy legislation? She stands there and tells this House, might I say, a very liberal interpretation of what took place in our discussion. I was not going to talk about a private discussion. I did not decline. I met with her. I declined to negotiate. It is not negotiable.

Will the minister do the right thing: sign the document and give the child her dying wish? People are calling from all across the province. They are calling the Premier; they are talking to the Premier, trying to get through to his office. They are calling the minister. I know that because they are calling me as well.

The Speaker: Would the member conclude his question, please.

Mr McClelland: For the last time today, will the minister please respond and do what I know she can do and what I hope she would want to do?

Hon Ms Akande: As a matter of fact, the member was not invited to a negotiation. It was not a negotiation. I recognized the concern in his voice for this child. I recognized it and I thought as an advocate—

Mr McClelland: On a point of order, Mr Speaker: I made an assertion in good faith in this House. I am not here to join in a debate with respect to the credibility of one or another. She knows she had a number of her staff there and the member for Willowdale. I ask the minister to go back and review precisely what she said. That is the operation, and those are the words she used—

The Speaker: We are obviously into a discussion about how events have been interpreted. It perhaps would be most helpful if the minister could conclude her response.

Hon Ms Akande: I do feel it is appropriate to respond to the member's statement. He spoke about being invited to a negotiation. It is not a negotiation. When a child is at risk, it is not a negotiation. When staff are involved in trying to find the very best program possible to make sure the child is not at greater risk at home, it is not a negotiation. When we put dollars into the support of children and the support of parents to make sure that child has the very best services at home, yes, indeed, it is not a negotiation. It is a heart-rending appeal and attempt to serve the needs of a child. This misrepresents—

Interjections.

The Speaker: Order, the member for York Mills.

Interjections.

The Speaker: Order, the member for Willowdale. I ask the member for Willowdale to come to order.

Mr Harnick: The only people they feel sorry for are themselves, and they laugh. They sit and they smirk and they laugh.

The Speaker: I again ask the member for Willowdale to come to order.

Mr Harnick: You people are pathetic and incompetent and you couldn't care less.

The Speaker: I am asking the member for Willowdale and all other members to come to order, please.

Interjections.

Mrs Marland: The government House leader should resign. He thinks this is funny.

The Speaker: I am asking all members, including the member for Mississauga South, to come to order.

I realize, as all members in the House no doubt realize, that this is a very emotional and sensitive issue. It may be difficult to discuss it in a calm and reasoned way, but I do not know of any other way for us to do our public business properly.

1430

NOTICE OF DISSATISFACTION

Mr McClelland: Mr Speaker, on a point of privilege: You should review the record. I believe the minister used the terminology "misrepresent." I want you to review that and I am going to ask you to act accordingly.

Also, Mr Speaker, on a point of order: I at this time would give you notice, which I shall do in writing, of my dissatisfaction. I will be asking for a late show.

The Speaker: To the member for Brampton North: I am most pleased to review the record. I am sure the member will appreciate that the volume in here prevented me from hearing precisely what was said by anyone, including the minister, but I will be pleased to review the record indeed. I take it the member will file the necessary paper with the table.

BLUE-GREEN ALGAE

Mr Cousens: I have a question for the Minister of the Environment on the subject of blue-green algae, an aquatic plant that survives in sewage and organic waste. It is a highly toxic plant which has been known to kill cattle. It damages fish and fowl. It causes eye and skin irritations, muscular pains and flu-like symptoms to swimmers who ingest it.

On August 25 the Ministry of the Environment's labs confirmed the existence of blue-green algae in Musselman Lake in York region. On September 11, York region's public health department closed the lake and posted signs there because of the potential damage to human health by blue-green algae.

There was a 17-day delay from the time it was found in the Ministry of the Environment's labs to the time it was posted. Why did it take so long for the blue-green algae to be posted once the information was known, and what action is the minister taking to eliminate blue-green algae in other lakes and especially Musselman Lake here in York region?

Hon Mrs Grier: I regret that on this specific a question I do not have the answer for the member. I will

certainly undertake to find out what date the posting went up on Musselman Lake, whose responsibility it was to put the posting on Musselman Lake and whatever else my ministry can tell me about blue-green algae, and I will get back to the member as soon as I can.

Mr Cousens: I am surprised that the minister does not know about it, because the people who have been involved have written her ministry a number of times, and I am told they have a meeting with her about it on Wednesday. Her mail has been delivered, so I did not think this would be a surprise question to the minister at all.

Three ministries are involved with this whole subject of blue-green algae: the Minister of Health certainly through the action that has been taken to close Musselman Lake; the Ministry of Natural Resources, I hope, is looking at the effect it is having on wildlife and animals, and now the Ministry of the Environment is involved as the minister co-ordinates the roles of the different ministries. None the less, we have great concern about Musselman Lake. The concern I also have is about every other lake across Ontario which has tested positive with blue-green algae.

I want to ask a question, and maybe the minister could postpone this with the answer she gets after she has looked into it further, but it has to do with when the Ministry of the Environment identifies the presence of blue-green algae in a lake. Would the minister give us some idea how quickly the action will be taken to inform the Ministry of Health, how quickly she will inform the Ministry of Natural Resources and how quickly she will inform local municipalities of the presence of this algae when it appears?

Hon Mrs Grier: As I said in response to the first question, I will undertake to gather as much information as I possibly can about blue-green algae and I will get back to the member.

HERITAGE CONSERVATION

Mr Winner: My question is directed to the Minister of Culture and Communications. On December 20, 1990, Bill 18 passed third reading with the unanimous consent of this Legislature. The City of London Act was drafted to confer more authority on the municipality in respect of the preservation of heritage buildings. City council would have to issue a building permit before demolition of a designated heritage building could occur. This meant that the Talbot Street Block, the best surviving example of Victorian streetscape in Ontario, could not be torn down without the approval of the municipality. Under the existing Ontario Heritage Act, the building would have been torn down by February 4 of this year after 180 days had elapsed from the date of designation.

Notwithstanding the efforts of this Legislature, London city council voted on September 16 to allow the demolition of the building for the construction of a parking lot. The demolition commenced early the next day. What active steps is the Ministry of Culture and Communications taking to protect our heritage buildings from demolition? Not only has London suffered irreparable loss, but other municipalities face the same threat of loss of their architectural and historical legacies.

Hon Mrs Haslam: I understand the member's concern because he has spoken to me on other occasions about this.

As the member knows, the current Ontario Heritage Act gives sole responsibility for the protection of heritage buildings to municipalities. The current act does not empower the government of Ontario to protect heritage buildings.

In the case of the Talbot Block, London city council failed to use the special powers given to it by the Legislature in 1990 to protect the heritage buildings. To address the obvious limitations of the current act, my ministry has developed proposals for new heritage legislation.

In answer to the member's question about steps, I would like to inform him that I have formed a ministry advisory committee on new heritage legislation so that I am able to—

The Speaker: Will the minister conclude her remarks, please.

Hon Mrs Haslam: I have formed a members' advisory committee on new heritage legislation. The advisory committee is made up of representatives from various organizations interested in new legislation, heritage conservation groups, ethnic and cultural groups, organized labour, municipalities and the development industry.

Mr Winninger: I understand that several other buildings in Ontario, including the opera house in St Catharines, may face possible demolition. How soon will these tighter controls under the heritage act be in place?

Hon Mrs Haslam: Both the ministry staff and the advisory committee I mentioned are working hard to assist in the development of the new heritage legislation. I expect new legislation ready for introduction in the fall of 1992, and I hope to receive the full co-operation of all parties in the passage of this highly important and complex legislation at that time.

AGRICULTURAL LAND

Mr Bradley: I have a question of heritage as well, but it is a different kind of heritage. In this case it is the heritage of our farm land in Ontario and specifically the farm land in the Niagara region.

After years of study and months of meetings, the Minister of Agriculture and Food will know by now that the regional council approved a new set of farm land policies that would allow hundreds of acres of Canada's best orchard land to be turned into building lots. The head of the Niagara North Federation of Agriculture, Arnold Lepp, said, "This decision is absolutely necessary to salvage what is left of the tender fruit industry and the irreplaceable lands it occupies."

I would like to ask the minister, since his leader has made an issue of this in years gone by when he was in opposition and since the New Democratic Party has stated that it is interested in saving agricultural land of a prime nature in Ontario, what he is going to do to ensure that this land does not fall into the hands of developers in the Niagara region.

1440

Hon Mr Buchanan: The regional council came up with a new land use policy, talking about allowing small lot severances as well as downsizing of existing farm land. They are talking about bringing that policy on line on November 1.

There are existing policies and procedural ways of handling severances and official plans that will be dealt with in the normal course of events, and I would say to the member that we do believe in consultation and talking to the region. As the member probably knows, I have had one meeting with members of the regional council, and I met with the farmers about two weeks ago. I think there is room for some negotiation without simply opening the whole area up to open season for severances.

In terms of allowing developers to buy up those lots, the last point in the member's question, it is a concern of mine, and certainly we will do everything we can to work with the region to see that this does not happen.

Mr Bradley: My supplementary involves keeping the farmers themselves viable and alive. The Minister of Agriculture and Food would know, since he has that particular position, and many members would know, that as soon as they start allowing severances to take place and they have urban folks moving out into the country, they have nothing but trouble. The Minister of the Environment and the Minister of Agriculture and Food and others are constantly going to have problems.

The minister announced last week a package which was supposed to assist all farmers in the province, but John Kirkby, whom he met with at Niagara-on-the-Lake, estimates that his costs will rise about twice as much as the program would provide to a person such as him just from the impact of higher minimum wages for farm help.

If the minister wishes to save the agricultural land, what further steps is he prepared to take to make farming in the Niagara region a viable operation so that those who presently occupy the land are able to have and maintain some kind of financial viability?

Hon Mr Buchanan: I think we are working on that. The announcement last week certainly targeted some monies for horticulture. Apples were mentioned in terms of providing money through a net income stabilization account type of arrangement, which was certainly directed to the Niagara area. We are concerned about the tender fruit land in the Niagara region, and we intend to come up with additional policies to support the tender fruit industry.

The farmer whom the member quoted in a newspaper clipping talked about the increases in the minimum wage. There are no increases this year because of the startup time on November 1. For next year's harvest this ministry intends to talk to the horticultural industry where there will be a few cost increases because of increases in wages, but we will deal with those concerns over the ongoing months in talks as to how we assist the horticultural industry.

CHILD CARE

Mr Jackson: My question is to the Minister of Community and Social Services. Her Premier has stood in this House and made speeches all across this province that he

wanted to develop a working relationship with business and that his government was committed to that. Yet when it comes to the minister's discriminatory policies with respect to day care, it would appear that that statement is somewhat misleading.

In light of the fact that her Treasurer stood in the House last week and said there are going to be major cuts in both health and social services, can the minister please inform this House if she is prepared to change her government's offensive policies of discriminating against women workers in commercial day care centres? Is she going to listen to municipalities that are asking her to put the money into subsidized day care spaces rather than putting money into building new buildings that are only going to be half-full and compete and drive the private sector out of the day care business and support services in this province? Is the minister changing her position in light of the economic challenges that are facing this province today?

Hon Ms Akande: This government, as did the previous government, has certainly demonstrated a preference for non-profit child care. We are, however, fiscally responsible; we are, however, dealing with the constraints, and we are, however, very conscious of the fact that it is important to keep subsidized spaces out there so that people who need them, people who need to go to work and to retraining, have those spaces available.

Because of that, we had announced the 5,000 subsidized spaces and put them out throughout Ontario so that people would have them. The municipalities have picked up those spaces and have been very supportive of that. This government continues to emphasize that we do have a preference for non-profit child care.

Mr Jackson: I was not talking about the minister's announcement of a year ago; I was talking about the crisis that is facing her currently. It costs \$18,000 for every space that her government assists with funding, taxpayers' funding, to open a non-profit centre. It costs \$8,000 per space when the private sector invests that money in this province and creates those spaces. Those people in the commercial sector pay taxes. They put up their own risk capital. Many of these—80% of them—are women managers and owners. They put up their own homes as collateral and they are committed to expanding day care access in this province.

The minister has announced, just in April, May and June, \$10.5 million in expanded capital dollars to build centres that, when completed, are sitting half-empty. The taxpayer has to pick up the operating deficits when the minister is forcing out of business a private centre that parents want.

The Speaker: And your supplementary?

Mr Jackson: So that the staff do not get uprooted and thrown out, I am asking the minister very simply, will she change her discriminatory approach with her funding preference for the non-profit sector to the exclusion of the commercial sector, when it is struggling to provide badly needed services for families in this province?

Hon Ms Akande: The member raises two issues. He raises the issue of subsidies we have provided. They are used in profit as well as non-profit spaces. He also raised

the issue of our building or supporting the building of new centres or our supporting the initiation of new centres. Our support of the non-profit sector results from our belief that the non-profit sector has boards and people therefore have an opportunity to make their program and their preferences known for their children. It is much more accountable to the community.

In terms of the business dealings of the for-profit sector, when I enter a business I make it my responsibility to consider the ground on which I do so. I then make it my responsibility to address the needs of those who work for me. We support child care and people who require child care. We support them with the subsidies we provide, and they are used in the profit as well as in the non-profit sector.

AGRICULTURE PROGRAMS

Mrs MacKinnon: My question is for the Minister of Agriculture and Food. In Lambton county, farming is indeed one of the main industries, if not the main industry. Given that farming creates five jobs for every active farmer and farming is truly the basis of economic renewal, not only in Lambton county but throughout the province, can the minister tell us if the announcement by the Treasurer last week that all government ministries are participating in an adjustment of about 1% in this year's total budget is going to affect the much-needed programs and services delivered by the Ministry of Agriculture and Food?

Hon Mr Buchanan: It is a good question. In terms of when we are discussing mid-year adjustment targets, our ministry will indeed meet its target, through reducing operating costs and delaying purchases of vehicles, supplies and other equipment. We are also slowing the pace of our computer systems development; the pace of developing that system will be slowed down.

The most important part, though, of our mid-year adjustments in terms of meeting our commitment is the fact that we are not going to be cutting programs to our clients, the farmers and the food-processing industry. We will maintain all of those program dollars. The cuts will be made in other areas and will not be reflected in transfers to our clients.

The Speaker: Supplementary? New question. The member for Mississauga West.

Mr Mahoney: I note that with the time in question period having just run out, there is not even going to be an opportunity for a supplementary, which I find—

The Speaker: You may place a question, however.

Mr Mahoney: I am prepared to do that, but I would like to raise a point. Perhaps I will do that after I place my question.

1450

PROPERTY ASSESSMENT

Mr Mahoney: My question was going to be for the Premier, but once again the Premier decided to leave half-way through the business of the day, so I will direct the question to the Minister of Revenue.

I am in possession of a number of documents, letters from ministry staff to the minister, that seem to indicate her ministry staff—

Hon Mr Wildman: How could you come upon it?

Mr Mahoney: I came upon it from the person it was written to, actually, the clerk of the city of Mississauga. It is not a secret document. The government does not need to get the OPP out to investigate how I got this document. I have told members how I got it: The clerk of the city gave it to me.

The document seems to indicate that staff have taken a position that they will not support assessment adjustment requests based on airport noise in our city. In fact, they have even gone to the extent to say that if the Assessment Review Board grants any adjustments based on airport noise, the staff will appeal them to the Ontario Municipal Board and presumably even beyond that, to the courts. It appears that this decision by her ministry has prejudiced the rights of the citizens in Ontario who may wish to appeal their assessment, because the ministry has given clear direction to the board on what the decision should be.

It also appears that they have hamstrung the board's ability to be at arm's length from the ministry. They are simply telling it what to do. If this is true, the minister might as well abolish the Assessment Review Board and make all of the decisions in her office. Would the minister tell this House whether her staff have directed the Assessment Review Board and the Ontario Municipal Board in this way, whether she agrees with it and whether she is prepared to instruct her ministry staff to allow the Assessment Review Board to operate as an independent body and to return to the citizens of this province their rights under law?

Hon Ms Wark-Martyn: Yes, I do believe the citizens have the right to appeal any assessments. As members know, they do have the right to do that. I ask if the member could send me the letters he has so that I could review them and go and speak to my staff about them. I remember this issue vaguely when it came up a couple of months ago, and I would like to have the opportunity to take it back and review it with my staff.

USE OF QUESTION PERIOD

Mr Mahoney: On a point of order, Mr Speaker: I wonder if you would consider reviewing something I think is of concern to all members in this House. During question period the member for London South asked the Minister of Culture and Communications a question. It took him something in the neighbourhood of six minutes to get out the answer.

Interjections.

Mr Mahoney: With the supplementary, I believe it did. The minister made an announcement about establishing a new board. I did not get it all—everyone was shouting and I could not hear it—but she should not be using question period to make ministerial announcements.

Question period is supposed to be an opportunity for the members of the opposition, on behalf of the people of Ontario, to ask questions of the government and hold it accountable. It is not to be a time when the government makes ministerial statements. I add for your edification, Mr Speaker, that we did not even have one ministerial

statement today in the section that is normally reserved for that purpose. This is an irresponsible use of time in this House. I ask you to study it and give us a ruling.

The Speaker: I appreciate the point of order raised by the member for Mississauga West.

Interjections.

The Speaker: Order. I ask all members to come to order for a moment, please. The member for Ottawa West, come to order, please.

The member for Mississauga West has raised a point of order. I would be pleased to take a look at Hansard. I draw to the member's attention that the standing orders allow for a rotation of questions. Of course, regardless of which party has the floor at the time, the questions should be used to elicit information and an opportunity for a response.

I, of course, am always aware of the clock. The member will realize that. I attempt to get the members to respond quickly, both to pose their questions in an orderly way and to elicit a relatively brief response. But his point about making statements is one that I have referred to in this House on previous occasions. I will be most pleased to take a look at the record again.

PETITIONS

NURSING HOMES

Mr Daigeler: I have here a petition from some 59 residents of the Ottawa-Carleton area who have asked me to present the following petition which, despite the government's recent announcement, has not been fully responded to. The petition reads as follows:

"We, the undersigned, request that the government of Ontario immediately rectify the inequity in funding between nursing homes and homes for the aged. We strongly support the Ontario Nursing Home Association in their efforts to provide better care for nursing home residents through increased funding."

I have added my signature to the petition.

PORNOGRAPHY

Mr Carr: I am pleased to table a petition, signed by concerned residents of Oakville and the surrounding area, which reads as follows:

"To the Legislative Assembly of Ontario:

"Whereas the undersigned oppose the presence of the adult-only video store in our community at Bronte and Speers and would like to see it and its material banned in Ontario, and more specifically in Oakville; and

"Whereas we find that such a store in our community does not promote anything of good moral value or help to build up and strengthen our children, youth, women, men and family units,

"We, the undersigned, would like to see that the licence of this store be revoked and removed permanently."

PARKING FACILITIES

Mr Wessenger: I have a petition signed by 613 residents of Ontario requesting that free parking be continued at the courthouse in Barrie and at the Barrie Jail.

ORDERS OF THE DAY

House in committee of the whole.

La Chambre en comité plénier.

EMPLOYMENT STANDARDS AMENDMENT ACT
(EMPLOYEE WAGE PROTECTION PROGRAM), 1991

LOI DE 1991

MODIFIANT LA LOI SUR LES NORMES D'EMPLOI
(PROGRAMME DE PROTECTION
DES SALAIRES DES EMPLOYÉS)

Resuming consideration of Bill 70, An Act to amend the Employment Standards Act to provide for an Employee Wage Protection Program and to make certain other amendments.

Suite du débat ajourné sur la motion visant la deuxième lecture du projet de loi 70, Loi portant modification de la Loi sur les normes d'emploi par création d'un Programme de protection des salaires des employés et par adoption de certaines autres modifications.

The Second Deputy Chair: When we last sat on this bill, on Thursday, September 26, debate on sections 1 to 4 was postponed. We had a deferred vote on behalf of the member for Waterloo North and another deferred vote on behalf of the member for Mississauga North, for the two opposition parties.

I believe we have a number of other amendments to section 5 standing in the names of both the Progressive Conservative Party and the official opposition.

1500

Mr Offer: Mr Chairman, I am wondering if you can provide some guidance. I understand that at the end of the last day on which we were discussing this piece of legislation, a section that had been moved by myself under clause 40b(2)(d) had been discussed. I think that is where we ended that day. I wonder if you and the table officers might be able to refresh our memories as to that.

The Second Deputy Chair: I believe an amendment by the member for Waterloo North had been debated, with the vote deferred. Also, one of your amendments to section 5 of the bill, proposed clause 40b(2)(d) of the act, had also been debated, with the vote deferred. We are now proceeding to a Progressive Conservative motion in the name of the member for Waterloo North.

Mrs Witmer moves that subsections 40b(4), (5), (6) and (7) of the act, as set out in section 5 of the bill as reprinted, be struck out.

Mrs Witmer: I would like to indicate that this is a companion amendment to our first amendment. In the first amendment we indicated that we wished to limit the definition of "wages" to "earned wages," so this would eliminate the holiday pay; obviously not vacation pay. This would eliminate the termination pay and the severance pay as well. We are concerned about the amount of money that is going to be spent on this program at this time.

We are concerned about the \$9.7-billion deficit and the doubling of the provincial debt to \$77 billion by 1994-95. We are very concerned about what the end cost of the wage protection program is going to be. It is projected to cost \$175 million in the first 18 months. That is assuming

56,339 workers access the fund. It has also been predicted that by 1992-93—that is, if we have a return to normal economic conditions—there are going to be an additional 19,411 workers accessing the fund at a cost of \$55.33 million. That cost was estimated before the average claim was increased from \$3,254 to \$4,200.

We are concerned that the cost of this program will be high. We feel very strongly that employees are entitled to recoup the wages that have been lost, but we would support the definition of "wages" being only "earned wages." That of course includes the overtime and the holidays.

Mr Carr: I want to support my colleague on this amendment. As has been mentioned, the major problem we are looking at without this amendment's being put in is that we would be looking at a substantially larger amount of money. I am a little bit concerned that what we are looking at really cannot be defined in terms of the extra amount this will cost the province, and as a result it is going to be very difficult to project what the amount will be.

As has been mentioned just now, over the last little while we have looked at a substantial amount of deficit in this province: \$10 billion-plus. It will probably be heading closer to \$11 billion or \$12 billion, depending on how well the Treasurer can hold it back. As a result of that, we are going to be looking at a substantial amount of debt, going up easily to \$77 billion by the end of the mandate of this government. I suspect that if they are off as much as they have been to date in the few short months since the last budget, we may be looking at substantially more. If members take a look at page 2 of the bill and go through it, subsections 40b(4), (5), (6) and (7), all the way down, I think they may be looking at a substantial amount. Again, the government is not sure how much will be put into it.

When they make their projections and they talk about the \$175 million it will cost, that does not include some of the amounts that would be looked at here with the overtime pay and the termination. As we look over the last little while, the number of workers who have had to access this fund has gone up dramatically. The overall thrust of this particular amendment would be to restrict it to the wages earned.

I would feel a little more confident if the government had been able to show us what the projections were and if it had some credibility in its figures already. Unfortunately over this short period of time their projections on an economic forecast of what exactly will be paid out have been so far off that I suspect this one will be as well. In fact, over the last little while it has been dramatically off, so the total amount we are looking at for this entire package is something we do not know at this time.

As a result, I think the government of the day should be careful not to run up the amount that will be paid into this, because the amount that goes into this, as we have already heard the Treasurer say over the last few days, is going to have to come from someplace else. Whatever amount it ends up being, if it ends up being the \$175 million the government says it will be, then that will be \$175 million that is going to have to come from someplace else; where, we do not know. The Treasurer is going through it now. It might be the hospitals; it might

be education, or it might be some of the other areas that are so critical to this province, but very clearly he is going to have to cut from someplace else to make that.

If we are talking about a substantial amount more than that, which I think we will be, then we might be looking at closer to \$200 million or \$225 million. When you look in percentage terms at how much they have been off in their budget projections, we unfortunately cannot trust the figures they are looking at. So this is a companion amendment to the other one we discussed earlier.

These have been some comments that I think would be important as people reflect on it. Very clearly what it boils down to is that we have a situation that is so far out of control we do not know how much this is going to cost and the last thing we need is more cost lobbed on to the people who are trying to make a business survive.

Ultimately the ones who are going to be hurt, if as a result this it costs more in terms of taxes, are the workers out there. Very clearly that has not been factored into this. What we should be doing is ensuring that the amount we spend on this program does not go up dramatically, because the amount that will have to be spent will have to come from higher taxes—payroll taxes, I suspect, is the way they would do it—or they will have to slash other programs. I think these are some things the government should look at. Hopefully the members will support this amendment.

Mr Offer: This picks up on the part of the debate we had on the last day this bill was discussed. I imagine the amendments by the honourable member are truly complementary to the first amendment to the bill put forward by the member the first day. Before I make some comments on this particular amendment, I wonder if the parliamentary assistant or ministry staff would be able to provide information as to what they anticipate the rate of recovery will be against directors of businesses under this piece of legislation.

1510

Ms S. Murdock: We can get that information for the member. The ministry staff will provide it to me, if I may give it to him later.

Mr Offer: I thank the parliamentary assistant. If that is all we are able to obtain, then we will have to be satisfied with that, but I hope that information is readily at hand in the Ministry of Labour, because it is important. It is important when we deal with not only this amendment but also the following amendments. We want to know specifically from the Ministry of Labour, as specific as it can be, what it anticipates the rate of recovery will be from the directors of businesses that are, for instance, declared bankrupt. We want to know what the rate of recovery will be in the event the government has to take action against directors.

We think that is important because of the message it sends out to business generally in the province, and we would like to hear from the ministry officials, first, that this work has in fact been done and, second, as a result of that work, what the rate of recovery will be.

Dealing with the amendment specifically, as I understand the amendment, it will in effect delete the severance-termination pay from the fund. When speaking about this earlier, I voiced some concerns that we had on this side about those deletions. The reason we have these concerns is that termination pay and severance pay, and in fact vacation pay if applicable, are areas which are determined by the Employment Standards Act. Those are areas which this Legislature has in the past seen fit to include. In fact, when the opposition was in government, we brought forward changes to the Employment Standards Act which in fact enhanced those particular rights. We should not forget that for a moment.

It is clear that if it was good enough for this Legislature to have debated these areas in the past, to have passed these areas into the Employment Standards Act, to have on occasion and on a continuing basis enhanced those particular rights, then I believe they should stand.

There are other areas in this legislation where we can deal with accountability and responsibility. I believe the business community fully understands and recognizes its obligations to its employees under the Employment Standards Act and indeed under the Ontario Business Corporations Act.

These amendments do not, in my opinion, deal with some of the concerns which were brought forward during our hearings. Though I understand the reason for the movement of these amendments, they are ones with which I am not in agreement. To do so means we are short-shrifting those rights and obligations already provided under the Employment Standards Act.

As we get in on this debate today, we have to recognize that this bill is really made up of two parts. The first part is the fund itself, how employees who are the victims of a bankruptcy or, in many ways, the recession can access this fund, can acquire reimbursement for their wages, vacation pay, termination and severance. I believe, as we heard throughout our hearings, the business community certainly recognized that right and obligation.

There is a second area to the bill, the enforcement mechanism. That is the government, through the employment standards branch, taking action against employers or directors and, as a result, an employee of that company or business receiving dollars.

We have to keep those two areas of the bill clearly distinct. I recognize that they have a certain relationship, but I believe there is the opportunity to make this bill better by changing one area of this bill which will not in effect impact on the other area.

We can make this bill better through changes which will not impact on the rights of an employee to have access to the fund. We can make amendments to this bill, we can make this bill better, while not eroding the rights given to employees under the Employment Standards Act in the areas of severance and termination or in fact vacation pay. The question will be, as we deal with this, whether the government-side members are ready and willing to agree to certain amendments. That is the question that members of the government side are going to have to ask themselves.

Earlier on, we went through a process very similar to this. Now we are commencing again. We have to realize that an awful lot of people were hurt by the recession, a lot of people who lost their jobs. There are a lot of people who had never lost a job before, but as a result of the recession and other areas and other factors, they did lose a job. They were out dollars. We can dress it up in terms of wages, vacation pay, termination and severance, but the fact of the matter is they were out dollars. They felt that and their families felt that.

That is why I am against the amendment put forward by the member, because those are areas to which the workers are entitled under the Employment Standards Act. If we agree that the principle of the legislation is designed to help those who have been and are the victims of a recession, then let us give them those rights which this Legislature has earlier provided to employees. But also let us make certain that there are ways in which this bill can be improved, that there are ways in which this bill can meet the concerns of the business community which we heard in the hearings, while at the same time not eroding the rights of those employees, those workers, who find themselves, many for the first time in their lives, out of work. The question will be whether the members of the government side are ready to accept some of these amendments.

1520

When ministry staff provide to us some of the facts and figures and estimates as to the amount of recovery against directors or employers, I believe we will find that rate of recovery is going to be very low indeed, that the amount of money the government, through the employment standards branch, will be able to acquire or be reimbursed is going to be very low and small. If that be the case—and I feel it will—then there is a tremendous opportunity here for the government. The opportunity is to provide those rights to the employees, but at the same time send out a more positive message to the business community. It will be interesting to see how the government responds.

On the last day, we spoke about areas of amendment. The government was very clear. It was not ready, it was not willing to respond. Now we will find out. Another day is here. Further amendments will be put forward, further opportunities will be given to the members of the government to take that step towards sending out a very positive message to the business community in this province, that community which creates the jobs.

It is not government that is going to create jobs. It is not government that is going to create high-paying, highly trained, good long-term jobs. It is going to be the business community; it is going to be the small business community.

I hear that some members on the other side agree with what I am saying. If that is the case, if my ears do not deceive me—and they do not—then I will expect that member, whom I have noted, to stand up in favour of the amendment, because the government members will now have the opportunity to put some substance behind some of those speeches they are making. They will have the opportunity to stand up and say, "That's the way in which it should operate."

I will be watching closely. I am somewhat heartened by the member saying that it is the small business community which creates the jobs. It is the small business community and the business community itself which creates high-paying, highly skilled, long-term jobs. It is the business community which creates the economic underpinnings of a strengthened economy and a strengthened future.

I will be looking forward to the member's support because I think there is a wonderful opportunity for that member to lead the way for his caucus, to show the way, to be a leader in terms of his caucus, saying, "I believe in the business community."

On this amendment, because these are rights which are founded under the Employment Standards Act, because these are rights which have been at length debated in this Legislature on numerous occasions, because they are rights which have been conferred upon employees as a result of committee hearings, consultation and a variety of other methods, I believe the amendment put forward by the member is one which cannot be supported. We cannot support an amendment which takes away rights which an act of this Legislature has given.

I look forward to continuing the debate. I look forward to talking about, in real ways, how this bill can be improved, how this bill could be strengthened, how this bill could be made more sensitive to all those who will have dealings with the bill.

Mrs Marland: I am happy to have the opportunity to support this amendment to Bill 70. Obviously, from all the concern that has been expressed around this province, everyone realizes what significant legislation Bill 70 is. When we look at the impact it is going to have on small business, the biggest employers in this province are small businesses.

Hon Mr Pouliot: Please protect the workers.

Mrs Marland: I hear the member for Lake Nipigon saying, "Protect the workers." The irony is that while this member of cabinet sits in his seat this afternoon spouting "protect the workers," what is it that he is actually saying? Is he really saying, protect the workers while their employers go into the ground? Do we protect the workers to the point that there are no jobs for those workers? If this member of the socialist government cabinet in Ontario today were really sincere about protecting the workers, he would make sure he protected their places of employment.

The only way you can protect workers is to protect the place where they work. It is very obvious with this kind of legislation that their jobs will not be protected, if that is this honourable cabinet minister's goal. They cannot be protected if we drive those businesses out of this province. Obviously an expanded definition of wages should include severance and termination pay. Wages are one thing. They are the cost of doing business. They are wages we are paid for our labour, no matter what it is.

Mr Mammoliti: All those workers are listening to you.

Mrs Marland: How interesting that this government has such absolute blinkers on, particularly the member

who is interjecting now, the member for Yorkview. I realize he has been elected only one year. I would have thought that in one year the member for Yorkview would know a little more about what is going on in this province. I can forgive him for the fact when he was elected a year ago—I do not know the honourable member's background—perhaps he did not understand what small business does in this province.

Interjections.

Mrs Marland: Perhaps a year ago he did not understand what employment meant in this province. Perhaps a year ago this member did not understand common etiquette in this Legislature.

Interjections.

Mr Offer: On a point of order, Mr Chairman: The member for Mississauga South, quite rightly, though I disagree with the position, is putting forward her points of view on this matter and the members from the other side are interjecting to such a degree that I cannot hear exactly the points she is making. I think, Mr Chair—

Interjections.

Mr Offer: Even as I speak now, they are continuing to interject. It might be advisable that if those members have something, some small point to make, the opportunity will be there for them to stand in their places instead of interjecting. The question will be whether they have the guts to stand up and take part in this debate.

When the member for Mississauga South has finished, I will be watching to see if they have the courage to stand and make some recorded comment about this debate.

The Second Deputy Chair: Thank you. I want to remind all members that interjections are out of order. The member for Mississauga South has the floor, and you will have the opportunity. We have all afternoon.

Mrs Marland: Thank you, Mr Chairman. The comment of the member for Mississauga North is very apt when he refers to the fact that the member for Yorkview might have some small comment to make, because that is about the size of the comment that member would be able to make.

The Second Deputy Chair: Would the honourable member address the Chair, please?

Mrs Marland: Mr Chairman, I will address you.

Interjection.

Mrs Marland: Mr Chairman, I have a concern for this member for Yorkview, who, in one year, has not learned the rules of this House. He has not, in one year, learned that interjections are out of order. He is sitting in the House today and he does not even have the decency to have his jacket on. He is not even observing a code of dress in this House which I would suggest shows—

1530

The Second Deputy Chair: We are addressing Bill 70 and we are addressing some amendments to Bill 70, please.

Mrs Marland: Mr Chair, I am addressing Bill 70, but it is very difficult with the interjections from the member for Yorkview.

The Second Deputy Chair: Please attempt to ignore the interjections, and do speak through the Chair.

Mrs Marland: I do, however, expect the Minister of Transportation to know the rules of this House. He is sitting in this House making his own interjections this afternoon, which frankly none of us appreciate. It is just too bad this socialist government does not know how to behave. I hope the minister, for whose ministry I am critic, does not enter into this fray or else we will have the full theatrical display of our Shakespearean actors.

Anyway, on this amendment to Bill 70, I would like to point out to those members who are not aware—and I would guess the members of our socialist government in Ontario do not care what the Canadian Federation of Independent Business says. They have no concerns for anybody except workers, and what a narrow view. The very workers whom they would protect will be out of jobs, because this kind of legislation will drive business out of this province.

In creating such an uncertain economic climate with this kind of legislation, how can we possibly think there are going to be jobs for anybody? If they want the definition of wages to include severance and termination packages, then I say to them they have no concept of what business is about. Would they not rather have the highest wage settlement paid on a daily basis while they are working than be asking for the moon, which is what they are asking for in the kind of legislation that is before us?

This amendment is critical. This amendment is terribly important to all the people of this province, the workers and the employers. When those employers who are the largest employers in the province, namely, small business—if this socialist government thinks that small business can manage to absorb wages which include severance and termination packages, then it is more out to lunch than we thought it was.

Small business is hanging on by its fingernails in the kind of economy we have today in Ontario. How impossible it is to say to small business employers, "We want more and more for our workers." Why do they not go to Britain and see what happened to British Leyland? British Leyland went out of business. They should look at the businesses around this province that have been driven out of business by the union contracts their workers demanded.

It is critical that the amendment placed by our Progressive Conservative caucus is supported. Otherwise we are throwing this province into a further, deeper recession than it exists in today.

The Second Deputy Chair: Thank you. Anyone wishing to add comments, now is the time, please.

Mr Offer: I have a question to the parliamentary assistant or ministry officials on this point. I am wondering if they might provide to me, on the basis of the wages, vacation pay, termination and severance, what the average claim will be. It is a question I believe I asked last day, and

I am wondering if the parliamentary assistant can provide that information.

Ms S. Murdock: As I stated on the last day we were in debate on this matter, the average claim is \$4,200. In response to the question put before by the member for Mississauga North, we expect to recover between \$440,000 and \$380,000 in the 1992-93 fiscal year from directors. The member did not ask about employers, he asked about directors. If federal legislation is introduced, we expect then that the recovery from directors will be between \$230,000 and \$200,000 in the 1992-93 fiscal year. Generally, as a rule of thumb, you could probably use the figure of 40 cents per \$100 which would be recovered from directors.

Mr Offer: On the basis of that response—I think this is crucially important information—the ministry is expecting to receive, as a result of the \$175-million wage protection plan, approximately \$440,000 as a claim-over from directors?

Ms S. Murdock: Yes. They would get \$440,000, on average, from directors in situations where a claim has been made under the employment standards branch. Either the employer could be solvent or insolvent and subsequently they would be able to get that from directors. Out of the \$175 million that is provided by the consolidated revenue fund, there would be a recapture of \$440,000 from directors.

Mr Offer: My mathematics, poor as it may be, says that if there is a \$175-million fund of which \$440,000 is recoverable, that is nowhere near 40 cents on the dollar; it is probably somewhere in the vicinity of four cents on the dollar. It is a very small amount of money which is going to be recovered through directors as a result of the fund. The parliamentary assistant might want to clarify that matter. I can see she is nodding affirmatively, so I will allow her to do that at this point.

Ms S. Murdock: Since the directors, as the member is aware, are not liable for severance and termination, they are only liable for what they are presently liable for under the Ontario Business Corporations Act, that is why the amount does not jibe with the member's calculation.

1540

Mr Offer: Again on this point, there was a statement by the Treasurer last week that \$85 million would be delayed. I am going to read actually from the words of the statement. This is from Hansard: "...\$85 million as a result of the late startup of the wage protection plan due to a delay in legislative approval." I have two questions on that statement. The first is, where is the \$85-million saving? The second I will reserve until the member answers the first.

Ms S. Murdock: The \$85 million is in the fiscal year 1991-92 in which \$90 million of the fund would be spent, and the saving would be because it would not be spent in this fiscal year, it would be spent in the next fiscal year.

Interjection.

Ms S. Murdock: The way it is working out in this legislation as it is, with the debate that is going on, it probably will not even be a law then anyway.

Mr Offer: I understand the Treasurer is using the legislative process in this way, but the fact of the matter is, when we talk about this bill, we all recognize it is retroactive to October 1. Here we are on this date of October 7, and it is not October 1, 1991, it is October 1, 1990. I am not certain why the Treasurer is cutting the funds from this plan when it is, in the words of the bill, retroactive to a time period in excess of 12 months ago, October 1, 1990. I wonder if the parliamentary assistant or ministry staff will be able to comment on that and be able to assure us that there is not some sleight of hand going on here, that an amount of money, \$175 million, which has been allocated retroactive to October 1, 1990, has in fact been effectively reduced.

My second question is—and this is something I guess I am just sensitive about—"due to a delay in legislative approval" connotes some blameworthiness on this side. Maybe I am just sensitive to that, but if the Minister of Labour believes there should not have been public hearings, if the Minister of Labour believes that hearing from the business community, hearing from employees across this province, was not important, then let us hear that from the parliamentary assistant. If that is not the case, if as the minister's speeches indicate, he believes there is a necessity for consultation, then where was the delay?

The minister introduced this bill. He announced this bill in October 1990, at the same time that Verity was allowed to leave this province and have a reduced employment level. That was the same day, the same table, the same announcement upon the wage protection fund. He did not introduce the bill until the spring session. There was no opportunity on this side of the House to have second-reading debate or committee hearings until the summer recess.

I would like to know why the Treasurer now feels there is some delay, because if there is to be a delay, it is a delay caused by the Minister of Labour. He announced that this was going to be a piece of legislation. He could have introduced this bill in November; he could have introduced the bill in December. We could have had public hearings over the winter. The bill could then have been brought forward in last spring's session for committee of the whole House, third-reading debate and possible passage. I am one who can sort of count the members on both sides of the House. Where was the delay and why did the Treasurer use those words?

Ms S. Murdock: I will respond to the last portion first. We were the only committee—I say this proudly—that worked so well together that we finished clause-by-clause in the summer. The Treasurer used those words because the expectation was that when the House opened, we would be able to get this bill introduced for third reading. As we had already debated it fairly extensively in committee, we would be able to debate fairly quickly in the House, if necessary at all, and it would become law.

At that point the Treasurer expected that the bill would be legislation by the second week of October; we were hoping. At present people have applied to the fund for some \$60 million, but by the time those are processed and so on—as we all know, sometimes you operate that although the application is made at this time, you may not receive the money and there is no actual cash flow. I am

not an accountant, but I know you can hold moneys for certain periods of time, and on that basis \$90 million could be "delayed." Basically it means there is not actual cash flowing, despite the retroactivity.

Hopefully we will get back to the amendment before us, but in response to the comment of the member for Mississauga North with regard to the delay, we brought in the bill as soon as we could. As we all know, the original bill was significantly amended because there were 40 to 50 substantive changes and amendments before we even went into committee to debate.

Mr Offer: I have a question dealing with the \$60 million of claims the government has received and has somewhere in the Ministry of Labour. I have a letter from the Minister of Labour, who states that 55,000 workers are going to be helped by this plan in the first 18 months. Using their figure of \$4,200 as an average claim, that would be something over \$200 million; in fact, it would be getting close to \$250 million. I wonder how the member can square her figure of \$60 million with the minister's letter to me, of September 20, 1991, which states 55,000 workers would be helped during the first 18 months of operation.

Ms S. Murdock: As the member has already stated, we expect that in the first 18 months 55,000 workers may apply to the fund for assistance, but at present about 18,000 have applied. So far it has worked out that we will owe about \$60 million when it is all paid out. We may not get 55,000. Our expectation is that we have erred on the side—hopefully, we will err on a lesser amount. That will be great if that is the case. That will mean fewer workers are doing without moneys they have earned.

1550

Mr Mammoliti: I have to respond to the member for Mississauga South. She made some comments earlier that I am particularly offended by. She wanted to know my background. My background is as a worker. I wore boots. I shovelled with my hands the stuff she dished out today quite extensively. I do not appreciate the comment she made. She gave me the indication she is not in favour of workers and rights for workers.

I had to say this. I had to stand up and tell you how appalled I am and how appalled, I am sure, about her comments today are all those construction workers and all those factory workers out there who wear the boots and do that hard work.

I could be wrong. Maybe I misread her, but I got the indication that she was not in favour of a worker and that her sole interest in this case is for the owners of the companies and profit. Frankly, I am a little appalled at that. I think we should be working together. I believe this government she has referred to is doing its best to try to work together with everybody and treat the workers as fairly as possible.

I know we are doing that. I will close by saying that I speak for all the workers who are watching out there today. Frankly, I apologize for the member's comments, because I think they are ludicrous, they are ridiculous.

Ms S. Murdock: I want to respond to the actual amendment, now that it seems the debate is done. As I stated earlier, we brought in a number of amendments prior to bringing the bill into committee. In those amendments the termination and severance liability of directors was removed. There is no difference between what we are suggesting under the employee wage protection plan and what presently exists under the Employment Standards Act, except that I think it makes enforcement a lot more likely and certainly easier and that workers will be guaranteed up to a maximum of \$5,000, even if some are owed more than that.

To speak to the member's specific point, as we know, the \$175 million is guaranteed under the consolidated revenue fund for the first 18 months. Unfortunately, we cannot guarantee for the member for Oakville South that it is going to be any higher, or make a prediction that it is going to be higher or lower. We just hope it will be lower as the economy improves. We are not expecting the amounts to go up dramatically.

With regard to the member for Mississauga South, and as the member for Mississauga North no doubt will be happy to hear, we recognize that small businesses make up the backbone of this province and that 63% of all workers come from small businesses in this province. But these amendments and subsections 40b(4), (5), (6) and (7) are not going to affect them, because it will be the insolvent small businesses which will not have the money to pay anyway. That money will come out of the consolidated revenue fund or the employee wage protection program, so the effect on small business is not as dire as predicted by the members for the opposition.

The Second Deputy Chair: This ends debate on the amendment brought forth by the member for Waterloo North. Is it the pleasure of the House that the motion carry?

An hon member: Defer.

The Second Deputy Chair: If we are going to defer, we have to have five people stand and then defer, as we did earlier in the debate. No.

Is it the pleasure of the House that the motion carry?

All those in favour will please say "aye."

All those opposed will please say "nay."

In my opinion, the nays have it.

Motion negatived.

The Second Deputy Chair: We now proceed to a further amendment, as proposed by the Progressive Conservative Party.

Mrs Witmer moved that section 40e of the act, as set out in section 5 of the bill, be amended by adding the following subsection:

"(1a) Despite subsection (1), an employee is eligible for compensation from the program only where his or her employer is bankrupt, is insolvent for an extended period or chronically fails to pay the employee's wages."

Mrs Witmer: This deals, of course, with the employee's eligibility for compensation from the program. As I have said earlier, we certainly recognize the right of all employees, whether you refer to them as employees or

workers, to wages earned. We are concerned, however—and this was a concern was brought to our attention during the discussions on Bill 70 this summer and in a paper—and certainly some of the small business people in this province are concerned that as it is presently printed, there will be recourse to the wage protection fund even in the event of a small business failing to meet its payroll due to a temporary cash flow problem.

If there were an order to pay from the employment standards branch this could prematurely bring in other creditors and, as a result of this action taking place, the fund could inadvertently force small companies into bankruptcy.

We would very much like the government to consider this amendment. We feel it is an amendment that will protect jobs. It will prevent premature recourse to the fund and could prevent the forcing of small companies into bankruptcy and as a result it certainly could save jobs.

I think we in this House all agree that what we are most concerned about at this time in the province is the effort and the compromise that are needed in Ontario. We need to do everything possible to save jobs for workers who are losing their jobs daily. We continue to hear about companies that are moving south or out of this province to other provinces. If we support this amendment, I think in many ways we could be saving some small businesses from being forced into bankruptcy prematurely.

Mr Carr: I guess this particular amendment comes from the Canadian Federation of Independent Business, which was concerned about some of the provisions of Bill 70 during some of the hearings. It is kind of ironic that it was the federation that was involved with this because, as we know, it was only last week that the survey of the federation's members came in, talking about some of the concerns they have with this provincial government. One of the big concerns voiced was that of small businesses over this particular bill; for those who have not had the chance, I encourage them to take the opportunity to look at it. It is not lost on some of the small businesses that it will jeopardize some of the very perilous situations some of them are in.

1600

For those members who remember, the Minister of Industry, Trade and Technology said he was listening to business and was going to be concerned about the concerns of some of the people. They said very clearly that the reason they were thinking of leaving this province is this provincial government, notwithstanding the fact that the Premier then came and said, "No, it isn't because of that; it's because of other reasons." The fact is that in a survey done by members, where they can tick off the reasons they are concerned and thinking of moving from this province, one of the big reasons is this piece of legislation and some of the other actions of this provincial government. This amendment will attempt to get some of the concerns on the table.

These are businesses that have in the neighbourhood of 10 or 15 employees. They are not the large multinational corporations that can withstand more pressures on them; these are the small operations that are finding it difficult to compete. If the Premier and the Minister of Industry, Trade

and Technology really believe some of the words that were said in the House last week, they will take a very hard, close look at this, although I suspect that the Minister of Labour has won the battle, that the fight has already been won by him at the cabinet table and that the Minister of Industry, Trade and Technology has lost this battle.

As you look at the amendment, the purpose is very clear: to ensure that some of the small businesses remain viable. With the precarious situation many businesses find themselves in now, it is ironic that this government could inadvertently hurt those very people it wants to help. What may happen if some of these amendments do not go through is that the piece of legislation may come in and inadvertently force some of the small businesses, particularly, to close prematurely in order to bring in the creditors.

We continually hear the other side, even today on some of the justice issues, saying: "We want to listen to the other side. We want to hear. We're listening to businesses." Well, now is the chance to put it into action. If the members opposite do not implement any of this, all it will be is hollow rhetoric in this Legislature.

This is a chance to take some amendments that have been proposed in good faith by the opposition in consultation with the community. I quite frankly am one of the individuals who will say, if some of these amendments are not approved by the government of the day: "Stop saying you're listening. Stop saying you care about the small businesses." If some good amendments are brought through as a result of the consultation process, now is the chance to implement some of them. This is one that is very simple. It simply says that we do not want to force any companies to close prematurely. We want to give small business in particular a chance to work things out.

What may happen is they may force some of the businesses to close prematurely by forcing them out. This would be a proposed subsection of 40e, when you look at the piece of legislation that would be entered there, that would attempt to protect some of those small businesses that are fighting every day. What essentially happens now is that some of them are finding it difficult to meet the demands on small businesses today, whatever they be, whether it be taxes or the regulations that have been imposed on them higher than anywhere else, and quite often they also have the banks hounding them. If anybody is aware of what transpires when a company is heading down some of the difficult roads that many businesses face, there is a tremendous amount of pressure from the banks and from suppliers, as well as from the employees. We do not need added pressure put on them by the government, which may inadvertently hurt those very people we want to help.

It comes back to the fundamental principle. What a government should be doing is ensuring the prosperity of the small and medium-sized businesses in this province, and indeed the large ones as well. We often think large business is a bad word in this province, but it is not. Those produce jobs in record numbers as well, so it is all businesses. It is not a bad word in this province to be of any size.

What we have attempted to do is take some of the input from those very people who are saying, "We're

thinking of leaving." The very ones who came and did that survey are the ones who, notwithstanding the Premier and notwithstanding what the Minister of Industry, Trade and Technology said the other day about the reasons, are telling us very clearly that one of the reasons they are thinking of leaving is because this piece of legislation, on top of all the other regulations and taxes in this province, may drive them out.

The survey was not done as a result of any of the opposition parties. It was done by a group of businesses that took a look at their own members, and those members have voiced their concerns. I think that if they did not get a chance to take a look at this amendment beforehand, they may want to reflect upon what business is saying. One of the reasons businesses are potentially leaving is that they are not being heard by this government. If the members opposite will take a little bit of time to reflect on this amendment, I think they will be well served by that.

I think, however, that this one is like some of the other amendments that have been brought forward. I do not think it will go too far. I would hope the Minister of Industry, Trade and Technology and some of his parliamentary assistants, particularly the member who has responsibility for the small business community as part of his parliamentary assistantship, would be able to voice some of the reasons they will not be supporting this amendment, if they choose not to. I suspect from the look on the other side that they will not.

What we have is the business community saying: "This is a piece of legislation we are a little bit concerned about. Here are a few amendments that we think will make it a little bit easier on our members, and this government of the day has a responsibility to take a long, hard look at it."

Mr Harnick: I was interested a moment ago when the member for Sudbury stated the statistic of how many people are employed in small business. I think she said some 60%—

Interjection.

Mr Harnick: She tells me 63%. This amendment is strictly directed to that 63% of the workforce. It is a small amendment. It is only really three and a half lines long. It is a three-and-a-half-line amendment that can go to protect all those small businesses that employ 63% of Ontario's workforce.

The amendment is directed at a small businessman who is attempting to take the risks and keep his business solvent. It is attempting to protect that businessman and to protect the viability of his business. If the viability of his business is protected, then the workforce he employs is going to be protected. That is why I think this is an important amendment for the parliamentary assistant to listen to and consider. I hope she will consider it.

In terms of what this amendment does, let's take the example of a small businessman who has a major customer, and for whatever reason the end of the month comes and that major customer decides it does not need to buy that small businessman's product any more. All of a sudden that small businessman is in jeopardy and his business is in jeopardy and all the people he employs

are in jeopardy. Come the next month when the cash flow has slowed down, he may well not have enough money to meet the payroll of the individuals who work for him. Those individuals who work for him may be the most understanding individuals of all, and they may say, "We want to save our jobs and we want you to be able to continue to employ us and to meet the payroll." Those individuals may wish to give the employer the extra time he needs.

Unfortunately this wage protection program will not give that extra time. As soon as the person is unable to meet the payroll, this wage protection program may kick in. As a result of that program kicking in, it may mean that other creditors of this business are going to petition the business into bankruptcy. How does that in any way help those employees?

This is in essence a good program. It is a worthwhile program to pursue, but let's not pursue it in such a manner that it is going to force people prematurely to see their businesses go down the drain. This very simple amendment is something that can protect that small businessman and those employees who are employed by him.

1610

It is interesting. Everybody makes light of these amendments and this process. If this process is taken seriously, we should look at whom we are protecting here. In this amendment, we are protecting the small business and we are also protecting the individuals who work for that small business who want the opportunity to continue in the employ of that small businessman.

It is a very interesting phenomenon that when someone owns a small business, he gets to know the people who are working for him and generally gets to know the families of those employees. No one is more concerned about the families and the individuals than the small businessman. The small businessman is someone who plays a very large societal role. This amendment takes a look at the relationship that should exist between the small businessman and the employee. I think it is an amendment that can help everyone very much.

I strongly urge the parliamentary assistant and the Minister of Labour and the other members here today to take a look at this amendment, because it in no way abrogates the intent of this bill. In fact, it would make this bill a much better bill in that it would protect the businesses that continue to employ 63% of the workforce in Ontario.

I urge the parliamentary assistant to convey to the minister, who is not here today, the importance of this amendment. I certainly applaud the member for Waterloo North, who has proposed the amendment, because it is a very sensible amendment. It should be passed. It will not in any way abrogate the bill that is before us right now; it will make it much better.

Mr Offer: This is an important amendment in so far as it clearly indicates that the principle of the bill is not what was originally stated. I think all members of this Legislature recognize that when this bill was initially announced in October 1990, it really was in response to those

many people who had lost their jobs as a result of what was then the recession flaming throughout this province.

As we know, there was a great deal of sympathy for the need for this type of bill. There was a great deal of support for the principle, about those who lose their jobs as a result of the recession, for which they are in no way responsible, and who as a result of losing their jobs have dollars owed to them, be it in terms of severance pay, wages or vacation pay, very much found within the Employment Standards Act. The principle that says, "We are going to create and pass a bill that protects the \$1,000, \$2,000 or \$3,000 owed to you," is something about which I think a lot of the members of this Legislature felt: "That doesn't sound too bad. It sounds right. It sounds proper."

But this bill is not that. I do not think anybody in this Legislature should think this bill just is that principle, because this bill is much more than that. It is much broader. It is much wider in its scope. It is almost intrusive in terms of its legislation. The amendment the honourable member for Waterloo North has brought forward is one that I must say I have concern with, but on the other hand it brings to the fore the fact that this bill and its principle are much wider than what was initially indicated.

This bill does not just apply to people who lost a job during the recession. It does not just talk to people who are out of work. This bill allows people who may have been docked pay, for instance, on account of Sunday shopping legislation or on account of certain areas of breach under the Employment Standards Act, and who are still working, to come and access the fund. That is clear in this legislation. It became clear during our committee deliberations and it became patently clear during our previous clause-by-clause analysis. The bill does not apply just to people who have lost a job and are out of work. This bill also applies to people who never did lose a job and who are not out of work. The amendment here proves and goes along to bring forward that principle.

I have concerns with the amendment because it seems to strike at the eligibility of employees. It seems to foist on an employee who is not working, who is jobless, a certain degree of having to wait, having to prove what "chronically fails to pay" means. I do not know what that means, but I do know that if we are talking about somebody who is out of work and who does not have a job, it creates a certain whole other procedure.

How do you prove "chronically fails"? What is the time frame? Who brings the application? How long does that application have to be brought forward? Who hears it? What does the employee do? Who looks after the interests, the rights, the responsibilities of the employee and the employer? Who protects those interests of the employer and the employee? That is not contained in this particular amendment.

It causes me some difficulty when we talk about an amendment that uses the phrase "chronically fails to pay the employee's wages" and we do not talk about: How do you prove that? What do you have to show? When do you have to show it? Where do you go to prove it? What standard of proof is necessary? Who brings what, where? All I know is that in the instance the employee is not

working and is out of a job. I think this might create a certain burden that might be unfair.

I am pleased the member for Waterloo North has expanded the eligibility to include bankruptcy, insolvency and "chronic fails" and has not limited it just to the way the federal Tories have done in their proposed legislation, which only comes into play in the event of a bankruptcy. But I have a concern with the amendment because it leaves too much out. It leaves too much to be determined somewhere else. I do not know if an employer's best interests are going to be served well by this amendment, nor do I know if an employee's interests are going to be served. There are too many questions through this amendment.

1620

Although I have concerns with the amendment, I think the principle is important. This is the first opportunity, because when we started this bill we asked, and Mr Chair will remember, that sections 1 to 4 of the bill be stood down. We will be debating those sections at the end of the bill. Those sections clearly indicate that this bill is not limited to people who are out of wages, out of vacation pay, out of termination, out of severance pay that are owed to them, and out of a job. This bill is much more. If one indicates that the principle of the legislation is to protect those people who are the victims of the recession, then I say that the stated principle of the legislation flies in the face of the words of the legislation. The words of the legislation are much broader.

We are going to have to discuss this. We are going to have to really talk about what that means to those people who are trying to create wealth, jobs, employment and opportunity in this province. We are really going to have to discuss whether that principle is one which should be in this legislation. That is going to come at another time. It is going to come at the end of this piece of legislation.

I indicate that I have concerns with the amendment because of what is not said. I do not know how it is going to affect employees and employers. I do not know how the burden of proving "chronically fails" will come into existence. I indicate my concern on this amendment to the bill, but I really signal to all members of the Legislature that this now marks the first time in this Legislature that we are talking about the true principle of the legislation, the real principle, the real import and impact of this legislation. It is something we are all going to have to grapple with in the next while ahead, but in terms of the amendment before me, I want to indicate that I have some strong reservations.

Mr Cousens: I can see the member has reservations. I wish he had had reservations a few years ago when his party had a chance to do things a little bit more right, but the Liberals were awfully quiet during those stages, except when they wanted to bring in payroll taxes. Now we will probably have a new payroll tax probably brought in for Bill 40. Reservations are one thing. I think we really have a job to try to get this government to accept some sense of responsibility. Never mind reservations; it is called responsibility.

The concern we always have to have is that the workers' rights and privileges have to be protected. I do

not think that anyone, ever, should try to take away those rights and privileges, but we have to understand that there has to be a context for that to take place in. Part of that context is to create a climate for business to prosper, so that there is an environment for business to understand that the world of business is welcome in Ontario. What we are trying to do is make sure that happens.

Unfortunately the New Democratic Party, through Bill 70 and through the earlier stages of this bill, really did not show very much sense as to what it takes to keep this province going. It is marvellous that they were able to back off on a number of those amendments and I compliment the government for having had the wisdom to do that. Mind you, it took an incredible amount of pressure by everybody to get them to wake up to the need, but aside from that, we want to be graceful and kind and supportive where we can be.

The fact of the matter is that when we bring forward a bill such as this, what we are really trying to say is that there are exceptions that are going to come into the scene and that should be considered.

I happen to have a number of people within my own riding who have been given notice from their employer. They have been told they are no longer on staff. Here is how the letter went. I will leave the names out but the company is owned by Columbia Lumber Co on Victoria Park Avenue in Toronto. They have a very large establishment in my riding in which a large number of people have worked. When they said, "We want to get rid of a certain number of employees," they said: "Due to the company-wide reorganization and downsizing of the Building Centre and the emergence of the Giant Home and Building Supply Stores, we are forced to lay you off effective Saturday, September 14, 1991, in order for us to complete the massive changes and transition involved in the new venture. In connection with the emergence of the Giant Home and Building Supply Stores, it is anticipated that a callback from your layoff might be in place by the end of November 1991."

Dig that one, "that a callback from your layoff might be in place by the end of November 1991." Therefore, instead of this being interpreted by the Ministry of Labour as what it is, a dismissal, because the company is obviously on another plan to close down its business, it is taken as a layoff. So this company, which is going out of business, has laid these employees off with nothing more than their vacation pay and they are out on the streets, some of them having worked for the company for as much as 18 years. Of the four who came to see me, one had worked for four years, another 17 years, another 10 years and another 18 years.

The letter of dismissal they were given says, "We're letting you go, but 'it is anticipated that a callback from your layoff might be in place by the end of November.'" A callback; that was said on September 14. Just a short time after that, what you get in the paper, and this a photocopy, is that they are closing down for ever. They are going out of business. It is a total liquidation. "First come, first served. All merchandise up for grabs. Many items at cost or below cost." It is under the business liquidation Metro licence number 18-588 and another number.

What they did as a company is despicable, and I say that in the House. I would probably have a lawsuit chasing me as soon as I said it outside here because "despicable" is a little bit strong, but I am talking about people who are being hurt because someone is using the existing laws to his own advantage and the workers are being abused because of it. None of us in this House can ever tolerate that. We have to stand up to make sure the people within our province are protected. When we have companies coming along and playing the law, there are losers out there. The four people who met with me just over a week ago are among the losers, because they lived in a trusting relationship with their employer that they should stay there.

One of the people who was let go had recently been offered a position with another lumber company and turned it down because he felt he had his friends in this business. They were there and he would stay with them. That was a few months before he got another letter, and his letter really had the same kind of effect: "Due to the company-wide reorganization and downsizing to the Giant name in our stores, we are forced to lay you off effective Friday, August 30, 1991, in order for us to complete the massive changes and cost controls in the new venture.

"We thank you for your support in the past and wish you success in the future."

What does this constituent get? He gets a letter, he gets his vacation pay but he does not have anything for the years of service he has given.

So they close down, they go out of business and what happens to them? There is going to be someone around there interpreting the law to his own advantage. We have to have something within the law that protects the employee from unscrupulous employers. What we are trying to address by raising this kind of amendment in the bill is that there has to be something for an understanding of when an employer tries to play the game. What we see here is an amendment that would begin to address some of those kinds of concerns.

1630

I respect the position our PC critic is coming from on this. Having sat down and looked at it, she is really trying to address part of the concern that has been raised by the Canadian Federation of Independent Business, to prevent recourse to the fund when a small business fails to meet payroll due to a temporary cash flow problem. Some people will call a temporary cash flow problem just the kind of thing I described here. Who is ever going to know what is happening? They send one letter to an employee saying, "We're going to be having some changes to the corporation," and then come along a few weeks later and say, "We're closing down." Meanwhile, what does the employee do?

There are enough laws in trouble in this province and enough people who are taking advantage of employees that we have to look at some way of balancing the act. If we look at what is going on, we are in a position in this Legislature to modify a bill that needs just a little more control to it. What we are asking for is the kind of balance that would make that happen. What we are really saying is that the employment standards branch could bring up other

creditors and the fund could inadvertently force small companies into bankruptcy. We want to be very careful that this does not happen.

I started by questioning where the Liberal critic was coming from. I thought the Liberals would have had some kind of balance to this thing. Maybe he is in a position to review his thinking on it.

Mrs Marland: I rise to speak in support of this particular amendment. Because it seems to be so difficult for this socialist government to understand where business is coming from in Ontario today when businesses say, "Please, please, no more," and as continually the interjections across the floor of this House are, "Protect the workers; save jobs," I think it is appropriate that I tell members about a letter I received from a business person in Mississauga.

This business person is Mr Donald K. Sheardown. He is the owner of Ontario Bus Industries. On May 9 of this year he wrote a very short, explicit letter to the Premier. The easiest thing for me to do is to read it, because it has direct relevance to the amendment that is on the floor at this time.

"Dear Premier Rae:

"I'm writing this letter to you as a concerned owner of a manufacturing business in Mississauga, Ontario.

"Our company, Ontario Bus Industries Inc, manufactures urban transit buses, presently operating in 260 cities in North America and Europe.

"We are a nonunion company, with 670 employees located in Mississauga, supported by approximately 450 local Ontario-based vendors who employ approximately 2,400 employees.

"Our subsidiary company, Bus Industries of America Inc, is located in Oriskany, New York, and employs 470 employees.

"At the present time we are number two in our industry in North America, with a 30% market share, and 80% of our product is exported from our Mississauga plant to the United States and Europe.

"Our costs to operate in Mississauga, Ontario, versus Oriskany, New York, are as follows:

"1. Labour costs—30% higher in Mississauga.

"2. Average hourly rate of pay: C\$16 per hour, Canada; C\$11.50 per hour in the US.

"3. Employee benefit package is approximately equal in both locations.

"4. Workers' compensation costs 50% higher in Ontario.

"5. Realty taxes—60% higher in Mississauga.

"6. Bank interest costs—4% less in US.

"7. Industrial land costs \$5,000 per acre in Oriskany and \$600,000 per acre in Mississauga. Industrial building rental costs \$4 per square foot in Mississauga and \$2 per square foot in Oriskany.

"Mr Premier, this is a small example of the high cost of operating in Canada. You can understand, therefore, my concern over an article which appeared in the Toronto Star's business section on May 2, 1991, with regard to the proposed changes in the Ontario labour laws which will, if enacted, force companies such as ours to look for other alternatives.

"The province of Ontario has the most progressive labour laws in North America, of which we can all be proud. Changes made to these laws have always come slowly and are well-thought-out and balanced. The present proposed changes, however, will be unacceptable to today's business leaders.

"We have worked hard to build a strong and viable company, which has never experienced a layoff in 12 years. We are constantly facing new business challenges throughout North America, challenges we can meet and solve. However, the proposals as outlined are challenges we are not prepared to face unnecessarily.

"Due to the seriousness of this matter, I am requesting a meeting with you to further explain the issues which I feel could further erode manufacturing businesses presently located in Ontario."

What I want to say about the amendment on the floor at this moment, in reference to Mr Sheardown at Ontario Bus Industries, is that he is just an example of what businesses in Ontario are saying. If this socialist government does not care to listen, Mr Sheardown, who, I may say, from the figures I have just given, is responsible for over 3,000 jobs in Ontario today, is not going to be here.

Mr Sheardown is a passionate Canadian. He is a passionate Ontarian. He is doing business today in Mississauga and this province even though the cost of doing business for him today is 30% higher than at the same plant in the same business in the United States. This is not fiction; this is fact. Mr Sheardown has a plant in Mississauga and he has a plant in New York state. He has accurate figures to compare the costs of doing business, but because he is a loyal Canadian and feels so strongly about keeping his business, which is obviously a tremendous success if he has 80% of the market share—because he is so concerned about keeping his business in Ontario, he is already willing to write off one third of his potential profit by doing business here.

If it costs him 30% more to do business in Ontario, he is quite happy to do that. He has been absorbing that 30% differential for some number of years now and he is willing to do that. He is willing to stay in Ontario and do business although he could do the same business in the United States at 30% less, which means 30% more goes into his pocket in profit. That is not what he is about. That is not what this superb human being is about in business today in Ontario. He is about protecting the economy of this province. He is about protecting those 3,000 jobs in this province with which he is involved directly and indirectly. He is about keeping a vision for Ontario in terms of successful industry and business here.

1640

What he said on May 9 to the Premier was, "I would like a meeting with you." What happened? He got referred to the Minister of Labour; he did not even get a meeting with the Minister of Labour. This socialist government does not care about those 3,000 jobs that are directly attributable to Mr Sheardown doing business in this province. He is simply saying that if this socialist government wants to keep those 3,000 jobs, then: "Would you please listen to me? I have a story to tell. I would like to sit down

with the Premier and tell him that it costs me 30% more to do business than in the United States, but I am happy to stay here." But the Premier would not meet with Mr Sheardown, and the Minister of Labour would not grant a meeting with Mr Sheardown.

Do members know what he did? I have the letter here. I will read it. This is the kind of thing we get from this socialist government.

Hon Mr Pouliot: Stop that word.

Mrs Marland: Oh, we are touching a nerve. It is so interesting; we are touching a nerve now.

Interjections.

Mrs Marland: Because we call this government what it is, which is socialist, we have the Minister of Transportation saying, "Don't use that word," and we have the parliamentary assistant saying, "Use it; we're proud of it." I suggest they get together. It would be great if they would either unite or divide on what it is they all believe in over there, but certainly the Minister of Transportation is very sensitive when I use the word "socialist." I call things the way they are, and this is a socialist government in the history of Canada at the same time that the rest of the world is discontinuing socialism and socialist governments.

The Second Deputy Chair: I want to remind the honourable member that we are working on amendments to Bill 70. It may involve some of what she is saying, but please, do try to stay on topic.

Mrs Marland: I appreciate that. I am trying to stay on the amendment.

Interjections.

Mrs Marland: There is one member here who is interjecting who is not even in his own seat, but I guess he does not care about the House rules either.

I want to emphasize the kind of arrogance and ignorance that this socialist government shows the business community of this province. As an example, I have just given members the request of Mr Don Sheardown of Ontario Bus Industries to meet with the Premier, which was then referred to the Minister of Labour. The kind of answer we get is this; I quote from a letter to me of August 20. Bear in mind from May 9, I might add. This is a letter over the signature of Valorie Taylor, secretary to the minister, on Ministry of Labour letterhead.

"Dear Mrs Marland:

"On behalf of the Minister of Labour, the Honourable Bob Mackenzie, I wish to acknowledge receipt of your letter of July 31 (which we received in our office August 15) regarding your constituent Mr Donald K. Sheardown, president of Ontario Bus Industries Inc, and the proposed changes to the Labour Relations Act.

"We have had Mr Sheardown's name added to the list of those who will be considered for consultation on the proposed changes."

I think that is the biggest insult, to suggest that Mr Sheardown's name was added to a list of those "who will be considered for consultation." Who do the members of this socialist government think they are? This man is directly responsible for 3,000 jobs and the Minister of

Labour says: "We'll put you on a list. We'll consider consulting with you." I think that is the height of insult to a prominent, successful businessman who wants to stay in Ontario, even though today it costs him 30% more.

If Bill 70 goes through without the amendments my colleague the member for Waterloo North is proposing, if these amendments are not supported to try to clean up this dreadful piece of legislation, then when these 3,000 jobs are lost, I would suggest to the Minister of Transportation who finds it humorous, that he no longer come into this House and say, "Protect the workers." I say with sincerity, if he wants to protect the workers, he has to protect the businesses that employ them. Without this amendment to Bill 70, the businesses are not protected and the jobs will be gone and the workers will be out of work.

Hon Mr Pouliot: Briefly, I have listed some questions for the parliamentary assistant. They deal with the intricacies of the bill in terms of workers' protection. I wish to avail myself of the opportunity, with high respect for the member and of course the minister involved and the ministerial staff, who have worked diligently to come forward with what are not complexities in the deal.

It never ceases to appal and, yes, to shock me to some extent, that people standing in their places, representing the workers in their constituencies in this instance, will choose to ignore the compendium, the intent and the purpose of the bill, which is simply to guarantee that an hour's work will be equal to an hour's pay.

It is to guarantee, for instance, with the highest of respect to the banking institutions, that people, only too often a member of a minority, a worker, one of the working poor, who are exchanging their dedicated labour at the marketplace for the minimum wage or a few cents above the minimum wage, in terms of the legislation, because of the complexities of our system, because of what has been allowed to happen, not only are treated as second-class citizens but are treated in a climate of uncertainty, that of unsecured creditors. It is appalling and shocking indeed.

The words of my colleague, what has been put forth here, will correct that anomaly. It is appalling and shocking inasmuch as fictitious Maria Lopez, having worked at a dress factory, and be it a worst-case scenario—I do not wish to catastrophize but merely to illustrate—working at a few cents more than the minimum wage, will have to wait for her two or three weeks' wages behind the Royal Bank of Canada, for it has first recourse.

The human dimension is what is being put forth. Surely not one member, not one distinguished colleague, could ever deny the right of workers to get compensated for each and every hour spent at a designated workplace constituting a day's work. Who can deny this? It is so commonsensical. This is the essence of life. This is what it is all about.

My colleague has answered all the questions. She has been a tower of strength. If only the opposition would have availed itself of the opportunity to say the method, the mechanism, the road to arrive at, and to meticulously describe, by way of offering alternatives, how to arrive at that. This is not what has been said.

We have been the victim—and it is okay, but sometimes it lacked in substance and rationale as well—of an unwarranted attack. All we are trying to do here, and we say this with a great deal of pride, is to reconcile and to recognize what had been lacking in the administration—I do not wish to be unduly harsh, but it is a fact of life—previous to ours. Ours is a lifelong commitment. Ours is an evolution. We do not wish to scare anyone, certainly not the workers. We wish to give them their due; no more than this, no more than that.

1650

Ms S. Murdock: Just to respond to the amendment and to explain why we will not support this amendment, I want to say first of all that all the speakers from the opposition and from the third party have mentioned putting small business persons prematurely into bankruptcy. The corollary of that is that workers are not charity operations. They do not work for nothing. For one of the members to have said that some small businesses may have an understanding with their employees, so that when they cannot meet payroll their employees will understand how that can happen, then in no way are the employees able to meet their bills, able to pay their rent, able to order food.

In any case, regardless of the bill that we are putting through, under the existing act you can still have an order to an employer and then, if members look at the process and as members well know, if someone is not paid for whatever reason, the employee then has access to the employment standards branch and can file a complaint or ask for an investigation to be done.

At the end of that investigation, the employment standards officer will write an order. The employer, as well as the employee, has a right at that point to appeal the decision. The employee obviously will not appeal if it is to his benefit, but if it is not, then he has that right. The employer still can appeal that, so bankruptcy is not the name of the game. But if an employer is in a position where he cannot meet payroll, maybe he should be looking at the whole idea, number one, of looking at insolvency.

The other point I want to make, which was raised on the other side, is the possibility that other creditors of small businessmen are going to find out these people's names and, because of the fact that they have put in a complaint to the employment standards branch, are going to suddenly then force small businessmen into bankruptcy. There is absolutely nothing under the employee wage protection program that allows for any listing in any trade journals announcing the names of the people who have employed or the companies that have employed.

I also point out that this amendment would cause immeasurable administrative problems both in process and in terms of costs. The definition alone under this amendment of what could be considered chronically failed—does that mean that you can chronically fail every month or does it mean every week or does it mean yearly? There is no definition. It is very vague and ambiguous, and we cannot support it on that basis.

I just want to stress that the existing Employment Standards Act has already got orders to pay in it and that this

amendment will do nothing but just create an administrative nightmare. We are not in favour.

Mr Harnick: I am dismayed because the whole essence of this amendment seems to have been misconstrued. The essence of this amendment is to ensure that people maintain their jobs so that companies remain viable. There is no point having an act which is going to force people into bankruptcy, and that is what this amendment is trying to prevent. This is trying to prevent a situation where an employer, for whatever reason, has his business suddenly fail because he has lost a customer and he is trying to keep that business alive. This amendment prevents the bill from becoming the nail which closes the coffin on that business.

I am dismayed that the parliamentary assistant, the member for Sudbury, has construed the amendment in the way she has, because this is an amendment that is going to provide continued jobs in viable businesses. It is a last-ditch attempt to take a business that is in trouble and make sure it remains viable.

The government should give it that last chance. They should not create unemployment so that they have to call on the fund. They should do things that are going to keep these businesses viable. Is that not the first priority, or is the priority to say, "Everything's going to fail, so we'll just have this act and we'll call on the fund and that'll be it"? Is this not an opportunity for this government to show it is trying to help businesses, that it is trying to give businesses that last little bit of support so they do not fail?

Is this not a place where the employer and employee can work together? Certainly that is the spirit of this amendment and that is the intent of this amendment, but the fact is that it has been totally misconstrued by the member for Sudbury and the member for Lake Nipigon. Certainly if they are concerned about the words "chronically fails to pay" or the fact that it may be difficult to define, then let's hold it down and let's work together and let's come up with a definition that is compatible rather than see this amendment defeated and see the whole spirit of what this bill should be thrown out.

That is what the attitude towards this amendment is going to do. It is an opportunity for a socialist government to indicate to business that it is supportive of business, particularly small business. The way the member for Sudbury has defined this amendment and tried to explain it is quite contrary to that. I am frankly surprised, and I urge her to reconsider and not defeat this amendment. If she wants to tidy up the language or there is something we can do to make it better, she should hold it down but not defeat it.

Ms S. Murdock: I am going to respond to the comments that have just been made in that regard, because I have not misconstrued anything. I have read this. I am not questioning the intent or the spirit that was intended by those who drafted this amendment. I am simply saying the effect is unrealistic.

The other thing is that it is not the fund that is the nail in the coffin for the small business. Those things already exist under this act. The existing Employment Standards Act is already there, except that it gives them money to go

in and get it, to pay the employees who would normally get nothing if the employer was insolvent and had no money to pay them. That is what this provides.

I do not know where the mistaken idea is coming from that this fund, in and of itself, suddenly slams a small businessman into bankruptcy. If he is in that position, if the situation was such that there was no Bill 70, right now under the existing Employment Standards Act, if I was working for a small employer and my boss was unable to pay me, I automatically have the right under the existing act to put in a complaint to the employment standards branch. An officer investigates, determines that I am owed wages or whatever and puts in an order to pay against the employer.

If the employer does not have the money, the employer then has to find the money somewhere, close his doors or whatever, and the employee then is stuck with nothing. Even if the employer does declare bankruptcy, the employees are still sitting there with no money, because they are not a priority creditor and so they have no status on the bankruptcy list.

This fund, however, once we finally get this passed and into law, will allow an employee rights to money, so that when a small business does go under and has no money to pay workers who have not been paid wages, vacation, severance or termination, they will get some money, at least up to a maximum of \$5,000. They are not left out in the cold and the creditors can still go the bankruptcy route. But as it is in this province, workers have to have access to something and deserve the money they have earned.

1700

Mrs Cunningham: I am speaking basically to respond to some of the remarks made by the member for Lake Nipigon on this particular piece of legislation, Bill 70—and to the member for Sudbury, to a point.

What we have all been advised to do as we represent the public is to go back to what it is all about, that is, to express the views of the people we represent and from time to time explain to them just what the government is trying to do. I did make that effort on a number of occasions, and that is one of the reasons our party has put forth the amendment we are supposed to be speaking to right now.

This amendment really is to address the concern raised by the Canadian Federation of Independent Business, which I think most of us take rather seriously. I do not think it is an amendment that should worry the government in any way. From everything I have heard from the member for Sudbury, I would think she would support the amendment, because all it really does is clarify everything she said happens anyway.

We are just reassuring the business community under very definite circumstances, and the word “only” in the amendment is the important one. It says: “Despite subsection (1), an employee is eligible for compensation from the program only”—I underline “only”—“where his or her employer is bankrupt, is insolvent for an extended period or chronically fails to pay the employee’s wages.” Therefore, the citizens of Ontario will pay up to \$5,000 if a company goes bankrupt and it has employees who are

entitled to money they have paid into a fund. It is like insurance. There are many who are watching us right now who would ask, “Why should we pay anything?” but we are saying that is fair.

Personally, I would like to hear better arguments from the government as to why that is not fair and does not clarify the situation. If we do not, then perhaps my letter, which I wrote in kindness, that the government would be listening to amendments put forth by the opposition parties or would amend the bill itself, to people like the president of Aylmer Toolcraft Ltd—I tried to reassure that this government would be listening to the public. He certainly made his views known. His name is Mr Nutley, the president of Aylmer Toolcraft Ltd, and he wrote to us. I have to listen to them. These are the people who are in the front lines, who are trying to run a business. He is really angry, and I do not blame him.

It is not just this bill, although this bill is the reason he was prompted to write to us in the spring of the year. I have responded and I think others have to many members in their constituencies. Sometimes people are writing to myself and to members of the opposition parties because they are not getting timely responses from some members of the government. I am certain the member for Sudbury would not be one of those people, but some of her colleagues are, and from time to time we get letters instead. This letter is addressed to myself and it says, “I would like to express my views on Bill 70, as far as what I have been able to digest from watching the debate in the House”—it is not always of the highest quality, Mr Chairman; I am sure you would agree to that—“and from the media.”

I think this amendment today has been spoken to by both sides of the House and I do not see a problem with it. It just underlines and clarifies the intent of the government.

Mr Nutley goes on to say, “As a small businessman in Ontario, I don’t mind telling you I am as scared as hell.” That is a pretty strong statement to start with. “It is hard enough keeping a business going”—I think members had better listen to this, because this is the impression of small business people. This fellow is the president of a company. In fact, he is a builder of special equipment, machining and welding; very important to our economy, I would say. “It is hard enough keeping a business going without a bunch of union-oriented buffoons putting up more road blocks.” I am not here to insult the government, but that is the impression the government members are leaving with our communities.

I will say something about my own party here. I do not mind taking criticism when it is warranted. The letter goes on to say: “I watched the leader of the NDP and PC parties in Ottawa some time back.” I have to take this criticism from time to time. “They both stated that they wanted more high-tech jobs, instead of lowering our standard of living and becoming more competitive.” We are all good at talking about what we are going to do, but boy, in my critic responsibility as the critic for Skills Development, I am still waiting for this government—they were the best critics when they were in opposition and I applaud them for it. They were very keen about bringing forth programs, in co-ordination with colleges and universities and school

boards, to provide the training programs for our young people. There is not one of us who is not concerned about a dropout rate of some 27%. This gentleman is just saying: "You talk about it. What are you going to do about it?"

After he talks about lowering our standard of living and becoming more competitive—that is what is happening if we do not have the high-tech jobs—he says, "The fact of the matter is, when you compare us with the USA, we are not competitive and our standard of living is much higher on average." I do not see any editorial comment, whether he thinks that is a good thing or a bad thing, but he goes on to say: "It may come as a surprise to them, but I have lots of low-tech employees, and the low-tech jobs are going south because we are not competitive. What will they do in a high-tech world?"

That is a very responsive chord. We do think of us just losing people who are highly skilled and highly trained, but we are losing regular, everyday persons whom we depend upon to keep our province and our country moving. What this employer describes as low-tech jobs has a lot to do with young people and family people trying to earn a living and paying very high taxes in the province.

I am quoting again: "Companies are leaving Canada in droves, and if our Treasurer, Mr Laughren, doesn't believe it, as he has stated, then he is living in a never never world and needs to get out into the real world. Maybe he should talk to the B. F. Goodrich employees, or maybe Tupperware. Does he really think General Motors is kidding? Does he really think they can't build a better product more efficiently and generate more profit for their shareholders south of the border? I really think he needs to wake up and smell the roses."

Why do members think this gentleman is writing to us under the guise of his concerns around Bill 70? Because every little piece of legislation that affects the ability of employers to do their work concerns the public. That is why he is writing all these concerns he has.

It is just one more piece of legislation, one more intrusion into the small businessman's world, one more expense, one more fear. As the member for Sudbury says, it may have nothing to do with Bill 70, but in the eyes of the public it does have something to do with Bill 70, and we are trying clarify it or make it stronger on behalf of the public we represent. This is an amendment that was raised in response to the concerns of the Canadian Federation of Independent Business. I do not see that the government has told us why it does not support it, not to the extent I would like to be briefed at least.

This gentleman, who is the president of Aylmer Toolcraft Ltd in Aylmer, goes on to say in this letter:

"Let's talk about the liability of directors and owners if a company goes bankrupt. It's not always their fault and in most small businesses the owner has probably invested all that he has, is taking all of the risks and has the least protection. He does this not only to provide a living for himself, or because he enjoys the challenges, but also to provide employment for members of his community."

1710

I suppose the point in my even reading this letter today and raising this issue is that we want people to do business

in Ontario, we want our people working and we really want our young people to have a future to look forward to, whether in the view of Mr Nutley they are low-technology or high-technology employees. It takes all of us to produce and work so we can enjoy a quality of life we have become used to in the past.

"Believe me, in most small businesses the owner puts out the most effort, longest hours, takes all of the risks for the least thanks. People think just because you own the business, you're the highest paid and least worked. I have news for them. In fact I have several employees who take home more than I. Yet if my business goes under for any reason, not excluding government roadblocks to free enterprise in the form of excessive taxes or a horrendous debt"—that is underlined in big, black letters—"that scares away our customers, and that we will probably never be able to put aside once incurred, or just because of poor economic times we as owners or directors are expected to shoulder the whole burden."

I think this person who employs people in Ontario is saying it is not always the words that matter but the signal we send out. The problem with Bill 70 is the very first signals it sent out. Let's face it, the biggest problem of all was when people who were giving volunteer hours on boards of directors were going to be liable. That was a silly thing to send out, a wrong message, and it is one that is hard to overcome.

If the members of this government have learned anything in one year, they had better think clearly about the message they send out before writing their legislation. If they do anything in the next few months, if there is legislation on the table that is frightening to our business community, for heaven's sake, they should deal with it right away and get it off the table. I think the damage has been done and we can only hope to recoup what we can.

"It may come as a surprise, but we'll be out of work also, without the benefit of unemployment insurance to help us find new jobs." I think he is referring to a country and a province that are basically bankrupt. "We are, to all intents and purposes, workers also just doing a different jobs. If we as a company do go bankrupt, it's because we have no money, and yet they want me to dip into my own pocket and shell out I believe the figure I heard bantered around on TV was an average of \$20,000 per employee."

Can the members imagine the kind of public relations we have as politicians? We took care of that in responding to this gentleman and clarified it on behalf of the government. At one point he thought that if he had 25 employees, he had to dish out \$500,000, but that is the kind of misunderstanding we clarified immediately.

He had another concern: "If I have to dish out that kind of money after we go bankrupt (praise God we don't), then the only alternative left to me is to put a gun to my head, but even then the insurance would not be enough." He is saying he cannot get that kind of insurance.

Let's face it, he does not have to divvy it out but, boy, we had better be pretty wealthy in Ontario, because guess who has to give it out? The province of Ontario, out of its coffers. We had better make sure that people are paying into that fund and that we are investing it wisely so that we

are not always going into debt and adding to the debt. Although he thinks he probably has to pay it, he does not have to pay it, but the taxpayers do. Mr Chairman, I should be looking at you when I am speaking. That is why, if we are clever at all, we want to instil confidence in the business community. We want them to stay in Ontario. We want people still to work. We do not want bankruptcies so this bill never has to come into effect. That would be the ideal world. Having said all that, I still do not know why the government will not accept our amendment to section 5 of the bill as we put it forth.

Mr Nutley goes on to say:

"There is more to a successful business than just good management. Employees have to do their share as well, and since we all reap the profits (employees through wages and benefits), we should all share in the risks. I am not saying that there should not be some sort of protection from unscrupulous owners who abuse their powers and privileges, but don't paint us all with the same brush.

"Employees are paid to do a job, just as we as a business are paid by our customers to do a job." We forget that some days. "What this country and in this case this province needs to get back to is a day's pay for a day's work. If we don't get our heads back out of the clouds and down to earth, there will be no jobs for anyone in Ontario and the jobs that companies like mine have now will be filled by Americans or Mexicans that want to work." We are seeing that.

"To our current government I say: "Wake up. You are creating another made-in-Ontario recession and destroying all that it has taken generations for us to build."

I know sometimes we do not like to think of people going to the US or to Mexico for lesser wages, but I think people have to go where they can work. If that is what is happening in Ontario, I hope at the end of the term of this government we can stand up and say they turned it around somehow. But if more people are leaving and we do find ourselves, with our young people, lacking in confidence, if we find them not investing in Ontario and starting their own businesses—because after all, this amendment is for the Canadian Federation of Independent Business—if we do not find them with confidence and if we do not listen to them, then I say right now this government will have failed after the promises it has made for decades. We have to start listening to the front-line workers and to the front-line business people, and that is what we are trying to do today.

"To Mr Laughren and Mr Rae, if you still don't believe that business is packing up and leaving Ontario in droves, then you are welcome to look at the package I have received from North Carolina"—and many of us have received others—"and then tell me why any businessman in his right mind that is capable of making a move would stay.

"To all MPPs"—that is me as well—"I urge you to stop this madness and start building an environment in this province that will encourage business to locate and to stay, thus creating and securing the jobs that are so important to all of us. The NDP don't have a monopoly on caring. We all care. It's just that some of us can manage to see past the blinders."

For one thing, I have to say I have noticed a difference, I hope, in the attitude in the House in the last year: All of us have come to understand that when we got ourselves elected to this Legislative Assembly, it was to represent all our constituents. No one has a monopoly in this province as an elected member on caring.

I may have deviated just a little from the intent of the amendment, but I felt that Mr Nutley has a right to be heard in this House. He as well as many others—and I may have to read other letters in—is concerned about the bigger picture, that is, the intentions of this government when it comes to some of the labour amendments it tabled in this House last spring.

In listening today, I hope the government will move very quickly to put aside the concerns of the constituents, not only as they relate to Bill 70 but as they relate to other legislation this government has on the public agenda, many intentions that have not yet been spoken to because we have not gotten the legislation from the government. I would say the sooner the better. The sooner the fears are put aside with regard to labour amendments, the better with regard to the rumours and misunderstandings—I hope they are misunderstandings—that are going out in the province.

Thank you, Mr Chairman, for the opportunity to speak to this amendment this afternoon.

1720

Mr Cousens: One of the things raised by the member for London North has to do with the whole issue of competitiveness. If there is anything I believe, it is that if we can adjust or modify bills coming from this government so as to improve Ontario's competitiveness so that business will want to invest in this province, we will have done the right thing. We have to do an awful lot to correct the impression that this government is antibusiness. The government really does not accept the fact that it is antibusiness, and it may not be.

Mrs Caplan: You can't correct that impression because that is the reality.

Mr Cousens: I have to respect the fact that the member for Oriole would say that. She is saying it is a reality that the government is antibusiness. It is the perception of the business community that this government does not care about what the business community is all about, and that this government, by having its own philosophical positions, is really going to disregard what an owner of a business or someone who has an investment in Ontario might have to say on what their long-term interests are. Therefore, it ends up having legislation that is antibusiness.

Antibusiness really amounts to an impression. I have to believe that there is not a member of the New Democratic Party who sees himself or herself as antibusiness, and yet the perception by the marketplace, by those who already have businesses in Ontario and by those who are looking at this province, is that this is a dangerous climate for them to invest in.

I have to challenge the government in another way. Maybe we have not been successful because we try to browbeat them and we try to beat them up. Maybe we

need to have more of a love-in here that says, "Hey, please come along and try to open up your minds to some of the concerns the business community has so that the province begins to prosper again." We are not seeing that now.

It was unusual, to say the least, that an ambassador from Sweden was here in the House today and would twig our minds, sitting beside the member for Leeds-Grenville. Is it not odd that he is coming over here to look at what we are doing, and yet what we are doing is mimicking in so many ways the way in which Sweden has gone for the last 30 or 40 years, since the Second World War? Their socialist government has now gone off the rails and they have now removed the socialist government. They are trying to move out of socialism and to have more of a capitalistic society so that a balance can exist.

I want to see balance. I see the people in Sweden shifting away from socialism and moving into capitalism as Ontario now has a socialist democratic government moving us into—

Mr Duignan: What about Saskatchewan and British Columbia?

Mr Cousens: The honourable member asks about Saskatchewan and BC. I have to say that I am very worried about what is going to happen to Canada when we have three governments that are New Democratic governments, and we might well have a fourth government.

Ms S. Murdock: Deal with the amendment, Don, the amendment.

Mr Cousens: I did not say it. It was raised by the honourable member. I am dealing with the amendment. I am dealing with the taking away of Ontario's competitiveness by having a spirit here that is just removing that sense of zeal for business, and it is a perception.

Hon Mr Pouliot: That is unfair.

Mr Cousens: I am being told by my very good friend the Minister of Transportation that it is unfair. It is a perception, though. It is a perception of the business communities, not only the existing communities here in Ontario but the ones that fly over, look at Ontario and say: "Oh, oh. We have a socialist government there. They are not going to be a good climate to invest in."

I do not think there is as much money to be invested anyway right now. Japan is certainly retrenching. They are not investing as much as they were a little while ago. With eastern Europe opening up now, there is money flowing in to try to get them started. So where are we going to find capital to invest here in Ontario? A friend of mine was at a conference recently, and in the northeastern United States—I do get some things I am not going to read, that kind of biased view. I do not know how the honourable member ever bought that writer, and I would have to look at—before you start quoting from something, you have to know what you are quoting. That is really a danger.

Ms S. Murdock: It is nice to see you are blushing.

Mr Cousens: You will have to understand that in this House sometimes there are dynamics that go on that one does not fully understand. I do not know where that came from. The fact of the matter is—

Mr Mammoliti: What does it say?

Mr Cousens: Mr Chair, control these people. It is almost feeding time for the New Democrats. When they get to the trough again, they can dig in deeper, roll up their sleeves and eat away, which they are going to do for four years. Then it is going to come to an end, because the people of Ontario do not want to see Ontario swing so far to the left. I thought the pendulum had swung far enough when David Peterson was in power and it swung to the left. Then what happened? We elected—we? Not me. Enough people in Ontario, 38% of them, elected a New Democratic government, and the pendulum is still swinging.

Unfortunately, when you get the pendulum away up there, you cannot just bring it right back to normal. It is going to take a while to notch it back so that people can have the kind of environment I am talking about, where business will prosper. The pendulum is up there; let's bring it back. I am suggesting to this government that through the kind of amendment we are tabling today, we will do something to give confidence back to the business community. The business community at this point in time has the lowest morale.

Members in this House keep talking about Saskatchewan. I worry about Saskatchewan not just for a few reasons, but number one has to be that if it goes and elects another socialist government in this country, it is going to be eating the same kind of legislation we are going to have tabled.

Mr Turnbull: That is all we will have to eat.

Mr Cousens: That is it. Words do not feed people. The kind of dogma and doctrine that is motivating this government to bring in such legislation, that is causing such dis-ease among the business community, is a matter we have to face up to.

The business community is calling upon all of us to set up a climate so that it can succeed and prosper, so that we can draw in business. Right now there has been an exodus of business, from my community at least, to parts of the United States. They are not going to Quebec at this point. A lot of them are moving to the United States. We had the movement from Quebec to Ontario, and now those people have sensed they are no longer welcome here. They are going to go elsewhere. I do not want to see that happen. With the kind of legislation we are bringing in, we have to make it possible for them to say: "I want to be here. I want to raise my family here. I want to have my business here. I want to make my money here." We are not doing anything to create capital in this province. What the government does is to tax it away.

This kind of bill, through this kind of action, just removes that sense of confidence. It is such a simple thing. Business people have come before our committee in the Legislature. The committee only sat two weeks, and I think I am correct on that one. The member for Waterloo North is our critic for the Ministry of Labour. There were two weeks; one week in which we received public input. It would have been far better—I do not agree with the Liberals all that often—if we had gone across the province and

solicited more views. For once, the member for Mississauga North—

Mr Offer: You voted against it.

Mr Cousens: I was not on the committee that day. I would sometimes support the member for these things. The fact is, the member would probably do a lot of politicking for the leadership when he went into those communities.

Mr Offer: You were complimenting me. Pick that up from there.

Mr Cousens: This is another moment of truth, when I come along and compliment the member for Mississauga North, who is now running for the Liberal leadership. If he is not, he should be, because they could use a man of his kind of integrity. There is not much integrity in the Liberal Party, but if the member can bring some to it, I would be very pleased.

The Second Deputy Chair: Would the honourable member please stay on topic? We are addressing amendments to Bill 70.

Mr Cousens: I am sorry, Mr Chair; I get carried away.

We are dealing with the Employment Standards Amendment Act, and we are talking about an amendment to the motion that has been proposed by our critic for Labour. I am speaking in support of that because I believe that in supporting her amendment, we are trying to give business a better climate for prosperity in this province. Through this kind of action, we might be able to entice more investment back to the province.

If we measure the movement of funds away from Ontario to other jurisdictions, we are seeing a permanent decline in the manufacturing sector in this province. Manufacturers want to make sure that if they establish their business here, there is going to be an ongoing climate between government and themselves of a trusting relationship. If that relationship is being destroyed through initiatives of this government—do members know what the problem is? This small amendment is not going to change it. It is more symbolic of the kind of change that could exist, where this government shows itself to be listening to business rather than listening to Bob White. He is behind the Premier, giving him guidance on what he should be doing. If they could somehow show that it is not Bob White running this show, that they are really open-minded to business and have a business sense of things, then the people of Ontario would begin to have more confidence in them, and they are lacking that now. Here is a chance of a symbolic gesture by the New Democratic Party to do a pro-business decision, and that would be to support the amendment that has been tabled by the member for Waterloo North. In that way we are at least showing good faith to the business community.

1730

Labour legislation has business terrified, not only with the leaked cabinet document that is going to be brought forward in the House very soon which shows a very strong bias against business, but if the government is able to remedy Bill 70 in a way that touches on some of the concerns we have, I give credit to the New Democratic government.

I do not think the public realizes that the New Democrats have backed off on a lot of the stupid parts of this bill from when they first brought it in. When the Minister of Labour announced that he would bring amendments to it and he was able to back off on those amendments as they affected directors, as he was able to limit—okay, there were several points, and they really do not pertain to this amendment, but the fact is that the government has moved. I give credit to the socialist government here in Ontario that it did make a number of amendments to this bill, but it has not gone far enough. They have not gone far enough but there is still time for them to take just a few more steps.

They have taken all business and the people of this province right to the edge of the cliff. We are looking over that edge and seeing people moving elsewhere. The government should bring them back, bring them back through a couple of moves like this.

It is not an awful lot to ask. It is just a simple amendment, and we have explained it. It would appear that there are a number of New Democrats in this House who would vote in favour of this. I know it is time, and maybe the member for Mississauga North would have a few more comments.

Ms S. Murdock: He is supporting us. He is not supporting your amendment.

Mr Cousens: I just complimented him for the Liberal leadership; I would have thought he would come back now and support this bill. I think he has now had a conversion because there is a chance that could be done.

Mr Harnick: Make him an offer.

Mr Cousens: Make Offer an offer; I would really like to do that.

Anyway, this is something that has to be dealt with. The Second Deputy Chair would certainly lead this House in understanding what we have been talking about.

Mr Perruzza: It is very much an honour to be able to stand and speak to such an important piece of legislation as a new member in this House. I note that my Conservative colleague who just sat down is applauding the fact that I am standing and speaking to this particular bill, Bill 70.

As I listen to some of the comments that have been made by both the Liberal Party and the Conservative Party about abstract concepts, about pendulum swings and about socialism versus capitalism and about a movement to the left and how this party and this government is mimicking what is taking place in Sweden and so on, I cannot help but think how quickly some of the more senior members of this Legislature, people who have had a full-time paycheque, people who have been on the payroll and have been secure in their payroll for many years, forget some of the pain and some of the suffering that is being experienced by families, both in Ontario and across this country, the kinds of pain that hard times inflict on people. We have a tendency to forget some of those things. We have a tendency to not see how the screws are tightened on people, from government pressures to private-interest pressures. The pressures on families and on working people to make ends meet are very great indeed.

As I watch the proceedings in this House as a new member I cannot help but be dismayed by how lightly we take the plight and the hardships of working people in this province and this country. If I were an unemployed person sitting at home right now looking for work and looking around and trying to figure out where my next paycheque would come from, I would be applauding the initiative of this government. I would be applauding the initiative that has been taken by the Premier of this province and by the socialist government, the labour government, the NDP government, the people on this side of the House.

Whatever label you want to give to the people on this side of the House, you would stand in your seat and you would applaud it, because this gives and renders some sense that there is some protection out there, that there are people in politics who are sensitive to some of the needs and pain that is being inflicted on working people across this province and across this country.

If I were an employed person just getting home from work and tuning in to the television I would applaud it as well, because what this says to me is that there is a government that is actually talking about implementing a program which says that if I all of a sudden find myself out of a job, and for whatever reason my employer has not been able to pay the kind of moneys I was owed, there are some moneys and there is some tide-me-over hope that by the time I find my next job I will be able to make my mortgage payment, I will be able to pay my property taxes, I will be able to pay my heating bill, and yes, I may be able to put some bread on the table to feed my children. That is what this says.

When I look across and see people making light of such a sensitive subject, when I see people in this House who have been used to receiving paycheque after paycheque for years on end and secure in those paycheques, then I can see why we lose touch with the hardships that are experienced by working families, by working people in this province and right across this country. I would hope that we move from discussions of abstract, intangible kinds of things and really deal with the meat of this bill.

What this bill says is that there is some sense of protection for working families. What it says is that working families in this province—and it should be across the country. I welcome the thought that there may be some NDP governments elsewhere in Canada besides the Yukon which may do the same kind of thing for the working families within their jurisdiction. I applaud that.

Mr Harnick: I have listened intently to the member for Downsview and it is quite clear that he just has not read this amendment. He does not understand the intent of this amendment. Nobody denies what this bill is intended to do, nor does anybody in this party deny the necessity of having this bill and for having a fund available for employees who lose their jobs because a business becomes insolvent or is bankrupt or fails to pay an employee's wages. No one denies that at all.

1740

What this amendment says is: "Don't do anything prematurely to cause a business to fail. A premature payment from this fund can in fact cause this business we are trying to save to fail." We all know that an order to pay from the employment standards branch could prematurely bring in other creditors, and the result of bringing in other creditors is that a business could face premature bankruptcy when a business might otherwise be able to survive.

All we are saying by this amendment is, "Don't force an employer to go out of business so that everybody loses his job." The members opposite should do everything they can to save that business. They should make the intent of this bill positive and such that we are going to continue to help business people keep their businesses solvent, so that we can keep people employed.

Mr Mammoliti: Hypocrite.

Mr Harnick: It is interesting that the member for Yorkview calls me a hypocrite.

The Second Deputy Chair: Order, please.

Mr Harnick: Mr Chairman, the member for Yorkview quite obviously—

The Second Deputy Chair: Order. Please take your seat. Did I hear someone accusing someone of being a hypocrite? I believe I heard it. Would you please withdraw it?

Interjection.

The Second Deputy Chair: Thank you.

Mr Wiseman: On a point of order, Mr Chairman: Am I correct in interpreting that you have just declared that the use of the word "hypocrite" in this chamber is unacceptable?

The Second Deputy Chair: I have not tolerated one member accusing another of being a hypocrite.

Mr Wiseman: This has happened on at least two occasions in this House prior to today, and we have had two occasions where the ruling of the Chair has been contradictory. On one occasion the Speaker ruled that the use of the words "hypocrite" and "hypocrisy" was not unacceptable.

The Second Deputy Chair: Order. Would the member resume his seat, please. I understand what you are saying. I believe the words "a hypocritical statement by the government" were used. I was here then and I believe it was let go. One member accused another of being a hypocrite. I will not tolerate that. I am sorry.

Interjection.

The Second Deputy Chair: I am sorry. To the honourable member for Durham West, that is the ruling.

Mr Wiseman: I am merely asking for clarification or a ruling on when the words "hypocrite" or "hypocrisy" can be used.

The Second Deputy Chair: The ruling is made.

Mr Cousens: One honourable member did call the member for Willowdale a hypocrite. He is now sitting in his seat. It would be appropriate, I think, for him to stand in his place and at least apologize for it, because it is not

parliamentary language. I would really appreciate it if he would do it, because it really takes down the whole tenor of this place when one member—

The Second Deputy Chair: Your point is well taken. The honourable member for Yorkview.

Mr Mammoliti: Mr Chairman, yes, I did call the honourable member a hypocrite and I do withdraw that. I will let the viewers at home determine whether the member is a hypocrite.

Mr Harnick: The fact that the member would use that terminology about my position on this bill shows quite clearly that he does not understand this amendment. It also shows that he is predisposed to seeing every business in this province fail. That is what he wants. He wants a province where no one is left to create the wealth that pays the people who are employed. That is exactly what this member wants.

This member cannot look at the words of this amendment and see anything in those words that he can interpret in a positive way. He will twist those words and turn those words, because he believes every business in this province should fail and when that happens he will be happy. But let me tell that member, when every business in his riding closes up and every person is unemployed, let them stand at his door—which I understand is somewhere in Bowmanville—and let them seek refuge at his doorstep.

Mr Mammoliti: On a point of order, Mr Chairman: I do not know whether the member is referring to me or not, but first, I do not live in Bowmanville and, second, I cannot understand the logic—

The Second Deputy Chair: That is not a point of order.

Mr Mammoliti: Let me finish, Mr Chairman. I cannot understand the logic in what he is saying and what his federal government is doing when we talk about free trade. If he is so worried about business, why is he not out there trying to convince his federal government to change its policy on free trade?

The Second Deputy Chair: Order. Would the honourable member for Yorkview please be seated. You will have your opportunity to participate as soon as your turn comes up.

Mr Offer: On a point of order, Mr Chairman: I recognize that the government members and the third party members are engaging in duelling points of order. The Liberal caucus just wants to get on with debating this bill.

The Second Deputy Chair: Please resume your seat. The honourable member for Willowdale.

Mr Harnick: Duelling points of order? I have to take a moment from berating my friend the member for Yorkview to compliment my friend the member for Mississauga North. "Duelling Points of Order" could almost be the theme song of a movie.

To get back to what I was saying, I only want the member's address so that when all of the businesses in Yorkview fail his constituents can know where to find him, because they will probably want to come for breakfast, lunch or dinner and for shelter over their heads.

How he could interpret this section in anything but a positive way is beyond me. I put it to him to take a look at that amendment. I really wonder, on the basis of what he said, whether he ever really read the amendment. I suspect he has never read it, but I am going to read it to him. What it says is, "Despite subsection (1), an employee is eligible for compensation from the program only where his or her employer is bankrupt, is insolvent for an extended period or chronically fails to pay the employee's wages."

I said it before and I am going to say it again, because I do not think he was here earlier. What I put to him is, what happens when a business that is viable loses its biggest customer and is on the verge of failure or cannot make its payroll for one or two or three weeks? What happens if in the interim there is an order to pay from the employment standards branch? As soon as that order to pay becomes public, every creditor of this business is going to be at the doorstep of the registrar in bankruptcy with its petition, and this business is going to fail. When this business fails because he has not given it three or four or five more weeks to get back on its feet—

Hon Mr Pouliot: GST.

Mr Harnick: No, the one thing has nothing to do with the other. The GST may be bad and he may not like it, but to heap this on top of the GST when he knows the GST is there is only going to make it worse. He should not heap one bad item on top of another. I am giving him the chance not to make the GST even worse. I am giving him that chance.

The fact that he will not give a business three or four or five weeks to dig itself out of the problem it is in, the fact that he will not do that and the fact that he wants that business to close and he wants all of those people who were, up to that date, employed gainfully with secure jobs to be out on the street and to collect their \$5,000 under this act and then be unemployed for an extended period is appalling. The fact that he wants that to happen and he wants to put small businesses in jeopardy is appalling.

1750

I cannot believe that a person who knows that 63% of all workers in this province are employed in small businesses would suggest what he has suggested in this Legislature. I urge all the people on the government side, if they do not like the GST, fine, but they should not pass legislation that is only going to compound the problem of GST on small businesses. That is what they are doing. This amendment gives them an opportunity to opt out of what this act can do to hurt businesses. This can make the act better.

I appreciate that they did not think of this amendment, so right off the bat it has one strike against it. They did not think of it, so they may not want it. But I am urging them to look at the intent of this amendment and I am urging them to go ahead and pass this amendment, because it is going to make this bill better.

Mr Wiseman: I would like to make a few comments. The honourable member for Willowdale has raised a very interesting point about wages and the impact that wages

will have in terms of their not being paid and the cataclysmic events that then will cascade on to a business.

If a company is in default to the extent that the member is talking about and has that number of employees, it is very difficult for the rest of the creditors and the banks to hold off looking at that company in terms of calling its solvency. The federal government in the Bank Act makes it almost impossible for a company to hide the way the honourable member has suggested it could do if this amendment was there. The federal banking act very quickly calls in these questions. As soon as the bank thinks there is any kind of insolvency in a company, it reacts very quickly. So this amendment does not aggravate that situation, and in fact we are hopeful that the federal government will see fit to make some changes to the federal Bank Act to allow companies to have a greater latitude.

Mrs Cunningham: Is it not the Bankruptcy Act?

Mr Wiseman: The Bankruptcy Act, sorry. I thank the member for that.

I would like also to address at this point the notion of competition that has continually come up this afternoon. I would like to make a few quotes.

I have a quote from a person by the name of Rob Hammond, a Guelph manufacturer who builds transformers. He states that he is not panicking about what the government is doing or the economy is doing, because he sees that there is a good competitive advantage for him to be in the Ontario market. He goes on to say that OHIP provides at least a \$2,500 to \$3,000 employee benefit over the US market to be here.

He also says in the Kitchener-Waterloo Record of May 24: "We don't know why the Canadian dollar is so high, we don't know why interest rates are so high and we don't know why free trade came. No one phoned us for advice." I think this speaks to the notion of competitiveness and saying that we do not have a market here that will be beneficial.

I would also like to address for a moment the notion that this bill somehow is going to bring companies into jeopardy and that we do not care about businesses and say that this government has brought a number of things through the Ministry of Industry, Trade and Technology that allow companies to be and will make companies even more successful. For example, if you have a company that has more than 10 employees but fewer than 200, you can qualify for grants to hire people to help you expand your company, help expand the export market. This is not a government and this is not a program that says this government is not interested in promoting business.

This socialist government that the honourable members from the third party continue to deride has also supplied a great deal of funding for other businesses. For example, in Hamilton the Enersearch company, a subsidiary of Westinghouse motor company, has received \$114,000 to improve industrial electric motors, which represents approximately 37% of a \$308,000 project. This is not a program in terms of the wage package—

Mrs Marland: On a point of order, Mr Chairman: Earlier this afternoon, everyone on the government side of House was complaining about being referred to as a socialist government. I find it very interesting—

The Second Deputy Chair: Sorry, that is not a point of order.

Mrs Marland: My point of order is that this member is not addressing the amendment that is on the floor.

The Second Deputy Chair: That is not a point of order. Would the honourable member please stay on the amendment to Bill 70.

Mr Wiseman: Yes, Mr Chair. I agree with you there.

This amendment, as I mentioned earlier, will kick in if companies are not solvent, if they are indeed on the verge of bankruptcy. Out of that discussion earlier came this notion that we were promoting an uncompetitive climate which would in fact force this amendment to be used. I am trying to point out that in fact when this government gives a \$300,000 grant to General Motors of Oshawa, it clearly is an indication that we are trying to promote jobs in this province and to prevent the need for this bill or for any part of this bill to be enacted.

When the Canadian Photovoltaic technological company in Ottawa receives \$138,000, this is another attempt to forgo the cataclysmic events that would trigger the use of this bill, and when the St Joseph Printing Co in Concord receives \$213,000 from this socialist government to keep people employed and therefore prevent the need for this bill to be used, I think there is an important point to be made, that we are encouraging companies to expand.

I would also like to say that we need to put this in perspective.

Mrs Cunningham: On a point of order, Mr Chair: With due respect to the member for Durham West, some of us were reading letters of concern from constituents with regard to Bill 70 and we were reading from those letters as we presented our position in the House today on their behalf. There is a very big difference between somebody standing up and making a political speech in his own words as opposed to what we were saying on behalf of the public.

The Second Deputy Chair: Sorry, that is not a point of order.

Mrs Cunningham: I object to this speech. I think it is totally out of order.

The Second Deputy Chair: That is not a point of order.

On motion by Mr Pouliot, the committee of the whole reported progress.

À la suite d'une motion présentée par M. Pouliot, l'étude du projet de loi en comité plénier de la Chambre est ajournée.

The House adjourned at 1800.

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Carter, Jenny (Peterborough ND) PA to Minister of
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Daigeler, Hans (Nepean L)

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Harnick, Charles (Willowdale PC)

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Harris, Michael (Nipissing PC) leader of the Progressive Conservative Party/Chef du Parti progressiste-conservateur

Haslam, Hon/L'hon Karen (Perth ND) Minister of Culture and Communications/Ministre de la Culture et des Communications

Hayes, Pat (Essex-Kent ND) PA to Minister of Agriculture and Food (agriculture)/Ap du ministre de l'Agriculture et de l'Alimentation (agriculture)

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Johnson, Paul R. (Prince Edward-Lennox-South Hastings/Prince-Edward-Lennox-Hastings-Sud ND) PA to Minister of Revenue/Ap du ministre du Revenu

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Kwinter, Monte (Wilson Heights L)

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Ramsay, David (Timiskaming L)

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Ward, Margery (Don Mills ND) PA to Minister of Government Services/Ap du ministre des Services gouvernementaux

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Wilson, Hon/L'hon Fred (Frontenac-Addington ND) Minister of Government Services/Ministre des Services gouvernementaux

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CONTENTS

Monday 7 October 1991

Members' statements

Canadian Forces Base Trenton	2743
Mr H. O'Neil	
Food drive	2743
Mr Jackson	
City planning	2743
Mr Frankford	
Life Sciences Technology Park	2743
Mr Daigeler	
AIDS Awareness Week	2744
Mr J. Wilson	
Whitby Centre Recreation Complex	2744
Mr White	
Employment equity	2744
Mr Curling	
Kay Livingstone Award	2744
Mrs Cunningham	
Shelter for women	2745
Mr O'Connor	
Correction	2745
Ms Poole	
Visitors	2746
The Speaker	
Visitors	2747
The Speaker	

Oral questions

Retail sales tax	2745
Mr Elston	
Mr Laughren	
Soft drink containers	2746
Mr Elston	
Mrs Grier	
Labour legislation	2746
Mrs Witmer	
Mr Mackenzie	
Public safety	2747
Mr Runciman	
Mr Pilkey	
Ontario economy	2748
Mr Phillips	
Mr Laughren	
Budget	2749
Mr Sterling	
Mr Laughren	
Non-profit housing	2749
Mr B. Ward	
Ms Gigantes	
Sabrina Panetta	2750
Mr McClelland	
Ms Akande	
Blue-green algae	2751
Mr Cousens	
Mrs Grier	

Heritage conservation	2751
Mr Winninger	
Mrs Haslam	
Agricultural land	2752
Mr Bradley	
Mr Buchanan	
Child care	2752
Mr Jackson	
Ms Akande	
Agriculture programs	2753
Mrs MacKinnon	
Mr Buchanan	
Property assessment	2753
Mr Mahoney	
Ms Wark-Martyn	
Notice of dissatisfaction	2751
Mr McClelland	
Use of question period	2754
Mr Mahoney	

Petitions	
Nursing homes	2754
Mr Daigeler	
Pornography	2754
Mr Carr	
Parking facilities	2754
Mr Wessenger	

Committee of the whole House

Employment Standards Amendment Act, 1991, Bill 70	2755
Mrs Witmer	2755
Mr Carr	2755
Mr Offer	2756
Mrs Marland	2757
Ms S. Murdock	2759
Mr Mammoliti	2760
Mr Harnick	2762
Mr Cousens	2763
Mr Pouliot	2766
Mrs Cunningham	2768
Mr Perruzza	2772
Mr Wiseman	2774
Progress reported	2775

Lists of members

Members and their responsibilities
Committees of the Legislative Assembly

TABLE DES MATIÈRES

Le lundi 7 octobre 1991

Comité plénier de l'Assemblée législative

Listes des députés

Loi de 1991 modifiant la Loi sur les normes d'emploi, (Programme de protection des salaires des employés), projet de loi 70	2755
Étude ajournée	2775

Les députés et leurs responsabilités Comités de l'Assemblée législative



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Legislative Assembly of Ontario

First Session, 35th Parliament

Official Report of Debates (Hansard)

Tuesday 8 October 1991

Assemblée législative de l'Ontario

Première session, 35^e législature

Journal des débats (Hansard)

Le mardi 8 octobre 1991



Speaker
Honourable David Warner

Clerk
Claude L. DesRosiers

Président
L'honorable David Warner

Greffier
Claude L. DesRosiers



Table of Contents

Table of Contents for proceedings reported in this issue appears at the back, together with an alphabetical list of members of the Legislative Assembly of Ontario.

Reference to a cumulative index of previous issues may be obtained by calling the Hansard Reporting Service indexing staff at (416) 325-7400.

Table des matières

La table des matières des séances rapportées dans ce numéro se trouve à l'arrière de ce fascicule, ainsi qu'une liste alphabétique de députés de l'Assemblée législative de l'Ontario.

Il existe un index cumulatif des numéros précédents. Les renseignements qu'il contient sont à votre disposition par téléphone auprès des employés de l'index du Journal des débats au (416) 325-7400.

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Effective with the opening of the Second Session of the 35th Parliament, Hansard issues and pages will once again be numbered on a sessional basis. Hansard numbering therefore will become consistent with Orders and Notices and Votes and Proceedings, and with other parliamentary publications throughout Canada.

For the last two years Hansard has been numbered according to the calendar year. Under this system, the numbering of issues and pages was restarted with the first issue in the calendar year, regardless of session or Parliament.

Under the new system, the sequence of numbering started in January 1991 will end with the final House and committee sittings of the present First Session. A new sequence will begin on the opening day of the Second Session, and each succeeding session, which will be issue 1 and begin with page 1. Committee reports likewise will be numbered from the first sitting of each committee in a parliamentary session.

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A partir du début de la deuxième session de la 35^e législature, les pages et les numéros du Journal des débats seront de nouveau numérotés par session. La numérotation du Journal des débats correspondra donc à celle de Feuilleton et Avis et de Procès-verbaux, ainsi que celle des autres publications parlementaires au Canada.

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Avec le nouveau système, la numérotation commencée en janvier 1991 s'arrêtera à la dernière séance de la Chambre et des comités de l'actuelle première session. Une nouvelle série commencera le jour de l'ouverture de la deuxième session et des sessions suivantes : numéro 1, page 1. Les rapports des comités seront également numérotés à partir de la première séance de chaque comité pour une session parlementaire donnée.

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LEGISLATIVE ASSEMBLY OF ONTARIO

Tuesday 8 October 1991

The House met at 1330.

Prayers.

MEMBERS' STATEMENTS

GOVERNMENT FACILITIES

Mr Callahan: I rise today to thank the Attorney General for the announcement that was made in Brampton today that there will be a consolidation of courthouses, provincial and general divisions, something I have worked very hard on since 1985 with the former Attorney General, the member for St George-St David. He placed this on a high priority list.

I understand the construction will be completed by 1996. I hasten to add that the other night, city council of Brampton alone agreed to increase the urban envelope from 200,000 to 500,000 people. It becomes obvious that six or seven courtrooms, which is the totality that will be received, will have to be revised very much earlier.

As members know, Askov originated in the region of Peel. We would hope that Mr Askov would not revisit us and that the Attorney General and this government would continue to co-operate in bringing to us a justice system that can serve the people of the community in a due and fast fashion.

That completes or at least puts on the rails one of the things I have striven for since I was elected. The other was for a community health care centre in my community. As I look over at the Minister of Health, I would hope she too will come bearing goodies to the region of Peel. The minister has heard my comments about the growth in our area. The original documents were certainly put well on the rails by the former government, and I would hope for the benefit of the people of my community and for good health care that she would consider moving this along as quickly as possible.

EMERGENCY TELEPHONE SERVICES

Mr Cousens: York region does not always have the things Metropolitan Toronto has. One of the things we do not have and are in the process of implementing is the 911 exchange north of Steeles Avenue. If you dial the 911 number and you are north of Steeles, in any one of our nine municipalities, you will get the Bell telephone operator. If you have an emergency of some kind, you are not going to get the fire wheels or the police station or the ambulance; you will just get a Bell operator.

The regional municipality of York has invested a great deal to make sure we have street numbers and street names, and now it is in the process of installing a telephone switch. Unfortunately, they could not order the telephone switch on time, because they never got a response from the New Democratic government's Minister of Municipal Affairs for over a year, when they tried to get some feedback from him as to what was going on with regard to the approval needed for legislative change in the Regional

Municipality of York Act. At last, they are going ahead without the legislative approval.

Here we have another situation where, through the government's bureaucratic bungling, through its inability to respond to letters and phone calls, a region has had to delay the process of getting this done. I have to say, although the minister is now going to bring in the bill, he could at least have responded to the letters and got the thing on the rails an awful lot faster. We need 911 in York region, and we will soon have it in spite of him.

HOUSEHOLD APPLIANCE STANDARDS

Mr Kormos: I do not have to tell you again, Mr Speaker, because most people know I have little use for those \$1,000-a-day consultants, but the fact is there are all sorts of people out there in Ontario who have good insights into a whole lot of things and who are prepared to share those insights—for example, Don Hammond. For 25 years Don Hammond down in Welland has been operating Hammond Appliances up at the Fitch Street plaza, handling air-conditioners, kitchen appliances, washers and dryers.

Don Hammond knows that people are crossing the border to shop, buying appliances, everything from a Mr Coffee to a fridge and stove. They think what they are buying is cheaper, but what they are buying are appliances that have not been passed by the Canadian Standards Association. These items are not cheaper. They are deficient, they are inferior and indeed they put those same consumers at risk, anything from the coffee pot that melts on the kitchen counter to the washer or dryer or stove that blows up in the middle of the night, setting the house on fire.

The federal government is doing nothing to halt the importation of these illegal products that do not pass Canadian standards. If we really want to talk seriously about cross-border shopping we should listen to people like Don Hammond from Hammond Appliances up at the Fitch Street plaza, a responsible retailer who knows that all it is going to take is for the federal government to say, "No, we're not going to let non-CSA appliances into this country." That is going to be part of the solution and that is why we should be listening to people like Don Hammond and not to the consultants.

FOREST FIREFIGHTING

Mr Miclash: In his announcement last week, the Treasurer cited the need for \$53 million in extra forest firefighting dollars. Let me point out some interesting facts which surround this allegation.

For the last 12 years the cost of extra forest firefighting has averaged \$25 million per year, yet last year's estimates approved only a \$7-million allocation, a figure which baffled many. Yes, moneys were allocated to regular forest firefighting, and yes, fires are unpredictable, as are the costs, but as climatologists increasingly take the view that

our climate is becoming warmer and drier, expecting more fires and higher costs would be responsible.

I cannot argue with the need to fight the fires, and I must at this time praise the bravery and hard work of the staff of the Ministry of Natural Resources who undertake this hazardous work. However, I ask the Minister of Natural Resources and the Treasurer if they intentionally low-balled the estimates' total for extra forest firefighting. Were these gentlemen betting the public would not even give a second glance and nod their heads and say, "Well, sure, we have to fight those fires"?

The estimates should more accurately reflect what can be reasonably expected in an expenditure. An estimate of \$7 million, when the average over the last dozen years has been \$25 million, is both misleading and, I feel, totally irresponsible. I cannot help but think that as the forests of Ontario burn, the government accountants fiddle.

LAND REGISTRATION

Mr Jordan: Thank you, Mr Speaker, for the opportunity to once again raise the issue of closing the new \$1-million registry office in Almonte. The honourable minister has refused to consider new information provided to her regarding the service area extended outside of north Lanark, namely, West Carleton and Kanata.

The decision at present is based on flawed information. The people of Lanark, including the president of the local NDP association, travelled to Toronto in all sincerity to make sure the minister would have the correct information and carry out her promised review of the decision. Not to do this is undemocratic and a dictatorial expression to the people of Almonte, who are under the assumption that no action will be taken until a full report to the committee has been reviewed.

In one way I am not surprised at her action, as the delegation was referred to at the hearings by an NDP committee member as just a group of lobbyists. This cold and callous approach to Mayor Finner of Almonte, lawyer Pat Galway, NDP president Jonathan Robinson, Reeve Barr of Pakenham, Garth Turner of the real estate board and Warden Paul Finner is just not acceptable in my riding. The minister should extend the time, give further review and give our democratic process some credibility.

1340

AGRI-FOOD WEEK

Mrs Mathysen: I would like to remind the House that this week is Agri-Food Week. These few days before Thanksgiving are indeed a fitting time to pause and pay tribute to the people who grow and prepare our food. It is also a good opportunity to promote the purchase of Ontario products to keep this important sector of our economy viable.

The agriculture and food industry contributes some \$17 billion to the economy. This is second only to the automotive industry. More than 200 commodities are produced and either shipped to market here at home or exported to a dozen international destinations. Our food processing companies account for 40% of the entire country's industry, employing some 85,000 people.

The family farm is the cornerstone of this industry and the heart of many rural communities throughout Ontario. Some 72,000 Ontario farm families work tirelessly to assure us of a reliable, high-quality food supply at a reasonable cost.

This week, special events throughout the province will draw attention to the people and processes that help bring good food from the farm gate to the dinner plate. These include a farmers' market in downtown Toronto, food demonstrations at Norfolk County Agricultural Fair, a partners-in-agriculture luncheon in Thunder Bay and much more. There are also promotions in the form of local print and radio advertising, farm tours, contests and mall displays.

In my own riding of Middlesex, members of the Ontario Federation of Agriculture are sponsoring a six-bill-board agricultural awareness campaign as well as participating in radio and television programs.

SEXUAL ABUSE OF CHILDREN

Mrs McLeod: The Minister of Community and Social Services will be aware that recently eight more women came forward to reveal that they were the victims of sexual abuse at the Grandview training school for girls in Cambridge. This is not the first time that Ontarians have become aware that children in residential institutions have been abused by those charged with caring for them, nor will this likely be the last time we hear such news.

In the past, governments have responded to calls for a public inquiry into this problem by indicating that the police investigation must take its course before an inquiry can take place. The Liberal government responded to past allegations by commissioning the Campbell report, a Review of Safeguards in Residential Treatment Centres. The present government responded to the findings of this report by ensuring that steps would be taken to prevent further abuse in residential settings, and I commend it for that.

In the face of growing evidence that this type of abuse has been and perhaps continues to be more widespread than any of us would like to believe, I believe it is time to address this issue in a broader way.

I am concerned that the problem of abuse of children is much broader and more prevalent than we have previously acknowledged. We must determine the most effective way of understanding this issue in its full dimensions. We must find a constructive method which assists victims and works towards an end to the abuse.

The time has come to confront this issue so that we can begin to address it in all the ways and all the places it occurs in our society. I therefore call on the government to undertake a province-wide inquiry into the occurrence of abuse in children's residential settings in this province.

NORTHERN ECONOMY

Mr Carr: We have seen this government stumble from crisis to crisis without any overall economic strategy for growth and development. They have reneged on promise after promise, with no long-term planning for renewal or revitalization of our economy. We need some proactive

solutions to the problems facing Ontario, especially in the forest and resources industries.

This morning MacMillan Bloedel announced that it is permanently closing its hardboard division at its mill operation in Sturgeon Falls. As a result, 162 jobs will be lost. This government knew it was happening. The northern Ontario heritage fund, which was created specifically for the diversification of northern Ontario's economic base, could have been tapped.

MacMillan Bloedel has developed plans for the creation of a mill to facilitate recycling, something which this government supposedly encourages. The member for Nipissing has spoken to officials of Fednor about this proposal and they believe it is viable. Yet our government, which says it cares so much about the north, has not provided a concrete response to this proposal.

We have seen this government respond on an ad hoc basis to eleventh-hour crises, usually after it is too late and at tremendous cost to taxpayers. What we need to see from this government is job training and retraining, private sector partnership, industrial restructuring and investment strategy. We need a government which is proactive not reactive.

BELLEVILLE FARMERS' MARKET

Mr Johnson: I would like to share with my colleagues in the House today the fact that the Belleville farmers' market is celebrating its 175th anniversary this Saturday, October 12. The Belleville farmers' market has existed in many venues in Belleville, but for the last few years it has been located behind the Belleville city hall.

It is a site where farmers have come to town in order to sell their produce for the last 175 years. It has had a very important historical role in the town. It has also had a very important social value, as I am sure many political debates have taken place at this very farmers' market.

Presently the role and function of the farmers' market is one of an opportunity for my farmer constituents from Prince Edward-Lennox-South Hastings to come to Belleville in order to sell the freshest, most nutritious produce that one can buy in Ontario. This allows farmers an opportunity to maximize their profit. If they sell their produce directly to the people of Ontario, they will make the maximum amount of profit.

I would like to encourage the people who have access to farmers' markets across the province to buy their fresh produce there. I congratulate the Belleville farmers' market on its 175th anniversary.

1350

The Speaker: Statements by ministers. The member for York Centre.

MINISTERIAL STATEMENTS

Mr Sorbara: Mr Speaker, I am rising today on a point of order. I note that you just called for ministers' statements, and there was no minister's statement by the government today. I am rising today to put to you the argument that the course of conduct of the government, certainly since we have returned here on September 23, represents a violation of the rules of this House and of standing order 31, which provides for ministers'

statements and an opportunity for members of the opposition to respond to ministers' statements.

You will recall, sir, when we revised the rules of this House substantially under a Liberal administration we provided for government ministers to make statements before the House. The interesting innovation and reform of that process was to provide members of the opposition with an opportunity to respond, and that is now found in subsection 31(e), which provides that:

"Following ministerial statements a representative or representatives of each of the recognized opposition parties in the House may comment for up to a total of five minutes for each party commencing with the official opposition."

I want to inform you, Mr Speaker, that the Attorney General, who is once again absent from the House, made an announcement today of a very substantial expenditure of money to look at the possible construction of more courthouses, not only in the community of Brampton but beyond that. My colleague the member for Brampton South has had an opportunity to comment on that during members' statements.

Over the past couple of days we have heard a statement outside of the House, not in this House, from the Minister of Health announcing funding for an AIDS program. We have heard via the grapevine and through the newspapers of this province an announcement from the Minister of Housing, who is not paying attention, a statement of significant expenditures, not made in this House.

I know you have commented on individual instances of this sort before, Mr Speaker, but you ought to take a look now not at the individual instances but at a course of conduct. The reforms you helped to pass when you sat here as a member from Scarborough were designed to give opposition members an opportunity to comment on government policy on a day-to-day basis.

The historic precedents of this House—and I tell my friend the government House leader that he was most vociferous on this point during his time in opposition—if you just bear with me for a moment, sir, I suggest you reflect on the fact that a course of conduct that has ministers making announcements outside of this House every day of the week violates the very rules we reformed during the last Parliament. We are denied the opportunity of commenting on statements.

The Speaker: To the member for York Centre, in standing order 31(a) the operative word is "may." "A minister of the crown may make a short factual statement." I appreciate—

Mr Chiarelli: They are an arrogant government over there, Mr Speaker. Shape them up.

The Speaker: Order. I appreciate the point raised by the member and the context in which he places it. There is nothing in the standing orders which compels ministers to make statements in the House rather than outside the House. I certainly am, as most members are, quite mindful of the precedents and procedure of our jurisdiction and of others operating in a parliamentary system, but I must report to the member that there is nothing out of order.

Mr Conway: It is surely a brave new world in which that supersleuth of Queen's Park fame, Gerry McAuliffe, now apparently on the public payroll at a cost of \$100,000 annually, should be advising this cabinet to stay away from this Legislature.

ORAL QUESTIONS BUDGET

Mr Conway: My question is to the Treasurer. I continue to be concerned that he knows more about the revenue difficulties in which the government now finds itself than he is prepared to admit to this Legislature. Until very recently he persisted in telling the chamber, the elected members of this assembly, that his revenues for this fiscal year 1991-92 were spot on.

Last Saturday night the viewing public of Global's public affairs program Focus Ontario heard the Treasurer say, "We now know that next year our revenues are going to be fairly flat." I took some regard for the answers he provided to my leader, the member for Bruce, and the responses yesterday to the Tory Treasury critic, the member for Carleton.

Having regard to (a) his oft-repeated statement in this Legislature that his revenues are spot on, (b) his global comments that next year's revenues are going to be "fairly flat," (c) his remarks that this year's budgetary deficit will come in at not more than \$9.7 billion and that next year's deficit will be absolutely held to \$8.9 billion, can the Treasurer now confirm that he is very confident that, notwithstanding what he has said, next year's budgetary revenues will be at \$47.2 billion as projected?

Hon Mr Laughren: There is a lot built into that question, which deals with this year's and next year's revenues. I will try to get to what I think is the essential part of the member's question which, as I understand it, is to determine to what extent the forecast we laid out for next year in this year's budget will be achieved in terms of revenues.

I would put it into a context and I hope you will allow me to do this, Mr Speaker, but if you want to stop me midway, I will finish in the supplementary.

In the economic document, the budget, which the member has, he will note that for the next three years we have forecast economic growth averaging 7.2%, I believe, and that revenues would take a part of that economic growth almost by definition. There is a tradition that about 90% of economic growth reflects itself in revenues in terms of percentages, which means that our revenues would go up around 6.3% over the next three years. At the same time, we know we are going to have very heavy expenditure pressures during that time.

We said there is a gap between the natural growth in the economy because of rebounding out of the recession and the new revenues that flow from that, compared with the expenditures we anticipate. That gap will have to be filled either by new tax revenues or by containing expenditures in a very meaningful way, and perhaps even reducing them. That is all we said in our anticipation of where the next few years will take us.

Mr Conway: The Treasurer will know that this is the most controversial budget Ontario has seen in the modern period. There is growing concern on all sides that at the midpoint of this budget cycle the 1991-92 budget is in trouble. We had a midcourse correction last week in which the Treasurer took some very tentative steps, but quite frankly a lot of people in Ontario were distressed to see that a great many of the tough decisions about this year's budget were transferred to next year.

Would the Treasurer now confirm that he has no reasonable prospect of achieving this year's revenue target in this fiscal year and that he cannot possibly achieve next year's revenue target without two things happening: multi-billion-dollar program cuts next year and at least a tax increase of anywhere between \$1 billion and \$2.5 billion?

Hon Mr Laughren: I disagree with the member on virtually every count. First, simply because we made a midyear adjustment to our expenditures does not mean we are in trouble; as a matter of fact, it means we are not in trouble. We did it in order to maintain our expenditures at the level we forecast.

Mrs Caplan: You said so yourself. You're out of control.

The Speaker: Order.

Hon Mr Laughren: I will speak more quietly and then perhaps the member for Oriole will yell more quietly.

The reason we made the midyear adjustment was so that we could maintain our expenditures at the level we forecast in the budget in the spring.

Second, I believe we are going to achieve our revenue figures this year based on our own revenue sources. The only proviso I put is that historically—the member for Renfrew North would know this better than I—the revenues the federal government pays back to us in the form of provincial income taxes have been a very volatile figure. We do not know that number yet. That is my only warning.

Mr Conway: I am glad the Treasurer makes the last point. He and I had an exchange back in early May of this year when I alleged, and it is still my belief, that one of the reasons this revenue line for fiscal 1991-92 cannot be credited is that all the evidence suggests the Treasurer built into his revenue base last year's \$930-million windfall, which he has absolutely no reason to believe will be in this year's federal transfer.

I believe he cannot reasonably expect to meet this year's revenue projections because, inadvertently to be sure, he overstated his personal income tax revenues on that account. He built into his base a windfall of some \$930 million from last year that I believe will not be here this year and that certainly will not be there next year.

My final supplementary on this point is, if the Treasurer is really going to pull out all the stops and do the incredibly fantastic restraint measure that good democratic socialists would expect, that he is going to fight to the bitter end to keep this year's deficit to \$10 billion and next year's to \$9 billion, would he not agree that he is going to have to contemplate next year at least a \$1-billion to \$2.5-billion tax increase?

1400

Hon Mr Laughren: I am not sure what the member for Renfrew is getting at. In the budget this year, we deliberately put in three what we call "out years," the next three years. We deliberately put in numbers there. It is not traditional that the province does that. We wanted to say to the people of Ontario: "We have a \$9.7-billion deficit this year. We know that is going to be controversial, but we felt we had to do it in the middle of a recession in order to maintain essential services, especially in education, health care and social services."

Interjection.

Hon Mr Laughren: Some day the member for Oriole is going to make a meaningful contribution to this debate rather than just yelling.

The Speaker: Would the Treasurer conclude his remarks, please.

Hon Mr Laughren: The reason we put in next year's numbers, and the next three years' numbers, was to say to people in the province: "We are going to reduce the deficit in the next three years. We have a plan to do it and we are going to do it." And that remains our position.

Mr Conway: I have a new question to the same minister on the same subject. I want to come back to the Treasurer about the fiscal plan, next year's fiscal plan, about which he now seems to be quite knowledgeable. He is prepared to say some things about next year's revenue but he does not seem to want to talk about this year's revenue. He tells Global television that he already knows next year's revenues are going to be "fairly flat." A lot of people would believe that to mean he is not going to be able to achieve the 9.8% growth, year over year, in revenues. To look at next year's budget plan—and the Treasurer has said he is going to hold the line to his \$8.9-billion deficit—revenues must grow by at least 9.8%. He has to get real growth in the economy of somewhere between 3.5% and 4%. He now has to deal with the hundreds of millions of dollars of expenditure pain that he has transferred from this year to next year.

The Speaker: And the question?

Mr Conway: The Treasurer is clearly going to have to raise taxes to meet that objective. What taxes is he now considering to levy next year on the businesses and the citizens of this province to meet this \$9-billion deficit projection?

Hon Mr Laughren: I am sure the member understands that at this point we have not looked at any potential tax increases or reductions at all. Right now, having made the midyear adjustment to this year's expenditures, we are in the process of examining all the major allocations of government: every ministry, every major allocation. That is what we are doing now to see what savings or what efficiencies can be effected for the next fiscal year. We have not reached the point yet where we are even talking about taxes for next year.

Mr Conway: It is quite clear to me, and I think to a lot of more dispassionate analysts, that if the Treasurer and the government of which he is a part have any hope of

meeting these targets, they are—and I repeat—in the next fiscal year going to have to cut programs, I believe, by at least \$1 billion to \$2 billion, and they are going to have to consider tax increases of a corresponding amount to meet the objectives the Treasurer has already set. He repeated on the Global telecast that he is going to stand firm on a \$9-billion deficit next year.

If he has any hope of meeting any of these very optimistic objectives, he is going to have to do it with the engine of small business in Ontario. I am sure the Treasurer has now read last week's survey document published by the Canadian Federation of Independent Business, where some 83% of those surveyed in this province in recent days are very distressed about the situation in which they find themselves; their single biggest concern, almost 88%, is the tax burden.

What specific measures will this Treasurer, on behalf of this government, undertake in the very near future having regard to what he has to do about tax increases in the upcoming fiscal year? What kind of meaningful dialogue is he going to begin with small business, the engine of his recovery, if he is going to address the overwhelming concern of these people; namely, that they have no hope of participating and of producing the kind of recovery if more taxes are about to fall on their heads?

Hon Mr Laughren: First of all, I am sure the member opposite would agree that we did not impose very many new taxes this year, in particular on the small business community. Therefore, what he is castigating me for are the taxes that his government imposed in the last five years, not the ones this government imposed.

Interjection.

The Speaker: Order, the member for Oriole.

Hon Mr Laughren: I look forward to the day when the member for Oriole will ask me a question instead of yelling at me across the floor.

Interjections.

The Speaker: Order. Everyone has become calm quickly, which is nice. Time is fleeting, so perhaps we could wrap up the response and then we could have a brief final supplementary.

Hon Mr Laughren: I really believe that what we did in the budget this year was probably the best stimulant for the Ontario economy we could have done, given the circumstances. I would remind the honourable members that in the budget we created or maintained 70,000 jobs with our expenditures. Second, we created a \$700-million anti-recession package, which no other jurisdiction in this country did. I think we have already gone a long way to making sure the economy is in a stage of recovery rather than just accepting the fact that we are in a recession.

Mr Conway: The relationship between this government and small business reminds me of a Liz Taylor romance: flamboyant, short-lived and not very happy. Clearly that is going to have to change if the Treasurer's own budgetary forecasts are going to be met. When he has small business telling him that it is overwhelmingly concerned about his budget, overwhelmingly concerned about

the tax burden, when it tells him in its fall survey that it is overwhelmingly concerned by this government's anti-business bias, how does the Treasurer expect to meet his very optimistic budgetary plan if he cannot to a greater extent inspire confidence in this, the fundamental engine of this province's economy and its recovery, namely, the small business sector?

1410

Hon Mr Laughren: I would only hope this government will be re-elected as often as Liz Taylor has been remarried. I think I would prefer to end the analogy right there.

I would say, in a serious way to a serious question, that this government has negotiated and consulted more with the business community than any government in Ontario ever has done. We recognize the importance of the small business community in this province. We recognize the fact that we depend on the health of the small business community to create and maintain jobs. It is our intention, through the Premier's Council and other mechanisms, to continue to consult with the small business community, because we believe it is important.

Mr Arnott: I would compare this government's virtue to that of Elizabeth Taylor any time.

LAND REGISTRATION

Mr Arnott: My question is to the Minister of Consumer and Commercial Relations. This past weekend, my home town of Arthur experienced an unprecedented act of skulduggery by this government. Movers arrived in the dead of night to carry out this government's ill-conceived plan to close down the local registry office. The OPP was called in to this otherwise quiet village. How can the minister condone this type of sneak attack on the people of Arthur?

Hon Ms Churley: It appears to me that both members of the opposition across the floor get their research from the National Enquirer.

I want to point out that there were no moves made from the land registry office in Arthur in the dead of night. There were attempts made over the weekend and at the planned date.

Interjections.

The Speaker: Order.

Hon Ms Churley: There were attempts made, as I said, over the weekend. Because there were demonstrations at the office at that time, the movers conferred with the OPP and made a very sensible decision so as to make sure nobody got hurt.

Mr Villeneuve: Police state.

The Speaker: Order.

Hon Ms Churley: They decided they would leave at that time and attempt to make the move on another day. That is exactly what happened.

Mr Arnott: The minister is wrong. I was there. On Sunday morning, I stood beside many Arthur residents in the rain and the wind to show my support for our registry

office, but once again we were left out in the cold by this government.

The residents of Arthur have been asking for a meeting with the minister as well as a meeting with the Premier, but to no avail. The minister has not consulted. If she had, this type of pre-dawn raid against the people of Arthur could have been prevented. Will she halt all further closings immediately, before another town falls prey to her heavy-handed plans?

Hon Ms Churley: As the member knows, in the judicial review held over the Arthur closing, the judge came down very clearly and took the position that this government had the perfect right to make those kinds of policy decisions and dismissed the case.

We are convinced that although this is not fun—this decision was not made for fun; it was a very difficult decision—as I have explained many times in this House, it is saving the taxpayers of Ontario \$1 million a year, plus \$8 million in capital dollars. At this time, with all of the noise that is being made about our deficit and the difficult economic times we are in, the opposition continues to try to have it both ways. We have to make some difficult choices and get on with them.

Mr Arnott: Who knows what will happen next? The registry office in Almonte is slated to close in 10 days. Three more are slated for closing in the riding of S-D-G & East Grenville. The minister has ignored the people of Arthur. She has ignored other affected communities. She has ignored the views of the standing committee on general government. That committee is meeting this Thursday to discuss the registry office issue. Is the minister going to start listening, or should we cancel that meeting of the standing committee on general government?

Hon Ms Churley: No. In fact, I am looking forward to hearing the report from the standing committee. I am quite looking forward to—

Interjections.

The Speaker: Order. I realize that this is a contentious issue. At the same time, the member for Wellington posed a question to which I anticipate he would like to hear the response.

Hon Ms Churley: As I was saying, I am quite looking forward to the results from the committee. I would like to point out to the member that—

Interjections.

The Speaker: Order.

Hon Ms Churley: I would like to point out, if the members would listen, that I understand this is very hard for the areas where the closings are taking place. There are some places in Ontario where people have to travel up to 200 kilometres to register in a land registry office. We have to equalize the system. Most of these closings still do not leave very many kilometres for people—

Interjections.

Hon Ms Churley: Please, Mr Speaker, this is important. People are asking me very pointed questions. I just want to make it clear that this is not indeed that much of a hardship compared to what other people in other parts of

Ontario have had to deal with in terms of travel time for many years.

Hon Mr Wildman: On a point of order, Mr Speaker: In the cacophony from the other side, I heard an accusation—I believe it came from my friend from the united counties—that this was a police state. I would ask you to review the record and determine if that is parliamentary.

The Speaker: I did not hear the offending remark.

Interjections.

The Speaker: Order. Members come to order, please. As I did not hear the remark to which the member for Algoma refers, I will be pleased to take a look at the record. If indeed a member from the other side made such a comment and would be so gracious as to withdraw that remark, then that would be helpful.

Mr Villeneuve: Mr Speaker, when the police are called in at 6 o'clock in the morning to make a move of a registry office, I have some difficulty with that. If "being a police state" is not parliamentary, then I will withdraw and I will allow the government to make up its own mind as to what kind of a state it is.

The Speaker: My own state of mind is slightly confused at this point, but I take it that there was a withdrawal, and we now have a new question being posed by the member for London North.

EDUCATION FUNDING

Mrs Cunningham: My question is for the Minister of Colleges and Universities. Last year, within a month of being elected, his Premier told Ontario's 23 college presidents, "Accessibility is a critical issue."

Last week, the Treasurer clawed back \$3.6 million in the 1991-92 fiscal year from Ontario's colleges, yet he gave increases to senior civil servants of 11% or \$17 million. This government had choices: civil servants' salaries or students' education and training in our province.

Would the minister tell this House if a \$3.5-million cut is his answer or the Premier's answer to accessibility?

Hon Mr Allen: As I think the House is quite aware, the government undertook an adjustment program in mid-year with respect to its revenue and expenditure situation. In being asked to respond in some measure to that, my ministry had a choice of addressing the question of whether to secure an adjustment in one of two programs we offer, the only two major programs we have. One was OSAP, student support, and the other was the transfer. We chose not to touch OSAP, which we had in fact expanded this year to expand access. We preserved access to the system of colleges and universities.

With respect to the question of access, the member knows that every registration in the college or university system is ultimately paid for in the formula, so there is no reduction in access. Those students will be paid for. There is a marginal adjustment that we cash-float in such a way as to not impact on this fiscal year. So we have done everything we can to address the access question and the management capacity of both the colleges and the universities in the present circumstances.

1420

Mrs Cunningham: I will send over to the minister his own statement with regard to operating grants prior to adjustment and revised operating grants which clearly show a reduction. That is real dollars, real programs and real students. The overall enrolment in our community colleges increased this year between 10% and 11%. That is a lot of students.

Mrs Caplan: Where are your priorities?

The Speaker: Right now it is the member for London North who has the floor and the opportunity to pose a supplementary, not the member for Oriole.

Mrs Cunningham: Last year the overall enrolment in our community colleges increased 10% to 11%. There were some serious reasons for that. At Fanshawe College in London it increased by 8%: more students enrolled in classes this year than last. Yet the Treasurer has cut \$221,367 from Fanshawe's operating budget. That is real dollars. No matter what way he tries to explain it, it is money that will not be there.

Since the students are already in the classroom and the budget has been set, Fanshawe has only two choices: increase its deficit or cut staff. Will the minister tell this House which course of action he will be advocating?

Hon Mr Allen: The colleges and universities are large systems. They, like government, have to examine their expenditures and revenues and they are obliged to manage those resources as best they can. We all in this province are confronted with a major recession problem in the economy. Somehow all of us have to take possession of that problem and deal with it as best we can, and that is true of the universities and it is true of the colleges.

I want to tell the member that with respect to the funding implications of all that, I have in place at this time a funding review for the colleges which will examine all the funding problems and the pressures that are there, in the hope of being able to respond to those problems.

Mrs Cunningham: When I go to Fanshawe College this weekend, I will be telling the students that this government preferred to give senior civil servants, who make lots of money, 11% in this fiscal year. That is what I am going to tell them. That is \$17 million and that is a reality. So I do not know why the government would go ministry by ministry.

Right now this government talks about fighting the recession, yet it made our community colleges the very first victims of battle. At a time of record job losses and massive plant closings, we are counting on our community colleges and the students there to help get Ontario out of this recession. Community colleges are the institutions that are working to make victims of the recession productive, and they are there. The average age of students is over 24 years of age. It has gone up in the last two years.

Since his ministry was the only one to receive a cut in funding, other than deferred program payments—

Hon Mr Pouliot: That is not true.

Mrs Cunningham: Yes, it is true. The member should not tell me it is not true, or he should stand up and tell me—

The Speaker: Would the member place her final supplementary.

Mrs Cunningham: Mr Speaker, somebody said I did not tell the truth, and I do not like it.

Hon Mr Pouliot: On a point of order, Mr Speaker: Of course the member always tells the truth; it is just that the subject matter she is addressing is totally incorrect.

The Speaker: It would actually be much better form should I just hear those little magic words, "I withdraw."

Hon Mr Pouliot: With magic and respect, I withdraw.

The Speaker: Now if we could have the supplementary.

Mrs Cunningham: I will repeat the statement so there is no misunderstanding as to what I said. This ministry was the only one to receive a cut in funding. Other ministries had program spending deferred to next year. If the government is not prepared to give community colleges priority at the cabinet table, will colleges be forced to cut enrolments for next year?

Hon Mr Allen: I want to assure the colleges and the member opposite that no, the colleges will not be forced to cut enrolments next year. As I have explained to the member, there is a rolling formula which compensates the colleges for their student enrolments, and they will get their money in due course for every enrolment they receive.

At the same time I also want to say to the member that she is quite incorrect in saying that this is the only ministry that has taken a reduction in expenditures in the course of the current exercise. That is simply not true. It just happens that in this circumstance we have one program that could possibly have been adjusted and another program which is a transfer that could be adjusted. We chose to make the adjustment in one place, Health took the adjustment in another, Municipal Affairs took it in another, Education took it in another, and they all took it in very significant measure. There is not one single ministry that has been singled out for attack in the whole exercise.

NDP CAUCUS OFFICE

Mr Mahoney: In the last few question periods I have been somewhat disappointed to wind up at the bottom of the question list with a question to the Premier. Today I get at the top and I find the Premier has not shown up. So he either leaves early to avoid my question or he does not show.

The Speaker: To whom do you wish to place your question?

Mr Mahoney: I am getting a complex. It is really somewhat bothersome. I will think of someone to ask this question to.

As you know, Mr Speaker, the province is currently entrenched in the worst recession since the 1930s: 300,000 people have lost their jobs in the last year and over 50,000 people have gone bankrupt, and the new provincial deficit is being projected at more than \$12 billion. In these tough

economic times people look to this government for leadership, guidance and support.

My question, in the absence of the Premier, is for the Minister without Portfolio, the minister responsible for the NDP caucus services, the chief government whip. As this minister is aware, her office authorized the redecoration of the NDP caucus room, room 247, in the Legislative Building. Estimates are that she spent in excess of \$100,000 on these frivolous decorating costs.

Can the minister tell us if this is true, and if it is not true, what was the total cost of these frivolous redecorating dollars? How much did she spend and did it conform to the Ministry of Government Services unit price accommodation guideline released in July 1991?

The Speaker: It is a bit awkward in that normally in Parliament questions are not allowed to the chief government whip in that the person does not have any ministerial responsibilities.

Mr Offer: She is a minister.

The Speaker: Order. If the chief government whip is prepared to respond, that is at her own—

Hon Mrs Coppen: I thank the member from the other side. If my figures are incorrect, I will apologize later. The caucus room had not been done over in many years. We had problems with the electrical system in that office. There was not enough lighting in there, and it was unsafe. That was one of the costs. The carpeting was done over, it was wallpapered, new draperies, the desk, the chairs—nothing else was changed in that office, none of the woodwork. If I am not mistaken, and I apologize if I give the member the wrong figure, the total cost of doing that room over with the change to the electrical system was approximately \$20,000, not \$100,000.

1430

Mr Mahoney: I appreciate the minister attempting to answer the question. Our facts and our figures would indicate that she is substantially wrong in that estimate. If you take into account the fact that apparently the wallpaper alone was \$50 a square foot—

Interjections.

Mr Mahoney: The minister should check her facts, and I would like her to come in with the proper facts.

Apparently the place has been recarpeted twice in the one year these people have been in office. It is quite clear to me that the socialists are enjoying life at the public trough and are being totally irresponsible in their expenditures. Does this minister, who I understand signed for these redecorating costs and approved all of them as the minister responsible for the services to that caucus, think this kind of use of public dollars is appropriate in light of the economic difficulties all Ontarians are facing, lining up for food banks and waiting for housing?

Mr Speaker: Would the member conclude his question, please.

Mr Mahoney: We hear all the ministries are being cut, their budgets are being decimated, yet these people are spending tens of thousands of dollars on bloody wallpaper and carpet.

Hon Mrs Copen: The amounts of money spent for that office were caucus allocations approved by the Board of Internal Economy, of which the member from the other party was a member. This was no secret. This is our caucus money.

To inform taxpayers of the province, I have the smallest ministry in this whole government. Like other ministers, I have been able to save 7% in my budget this year. I do take it seriously that this is taxpayers' money, unlike the members from the other side who thought the SkyDome would be a wonderful thing for the taxpayers of Ontario.

Interjections.

The Speaker: Order. Tuesdays are lively days.

AUTOMOBILE INSURANCE

Mr Tilson: In view of the absence of the Premier, I have a question for the Minister of Financial Institutions. In 1987, when he was leader, the Premier made a submission before the Coulter Osborne commission in which he stated, with respect to the auto insurance proposals of the Liberal government: "Nor do we consider it necessary or appropriate to improve any kind of threshold requirements limiting the right to sue to those whose loss exceeds a specified dollar amount or a stated degree of injury. New Democrats are opposed to the loss of individual legal rights entailed by such thresholds."

That is an interesting statement. I am sure the member for Welland-Thorold is thrilled to hear it. All that appears to have changed, particularly from the minister's statements and statements by members of his government. The government has spent \$5 million on studies as to why it is not going to nationalize the insurance industry. Contrary to their party's position, they have said they are going to have a threshold test but are not going to allow anyone to sue for economic loss. They have given to the insurance industry a discussion paper entitled *Automobile Insurance Reform Objectives*, a paper that none of the members of this House has seen, that no one else has seen except the insurance industry.

Can the minister tell the members of this House when he is going to introduce his bill?

Hon Mr Charlton: We have given no discussion paper to the industry, nor to anyone else. I said, in response to a question the member raised two weeks ago, that we are in the process of consultations with the industry and all of the stakeholder groups. It is this government's intention to announce here in this House a policy position later this month and then to proceed to develop legislation in consultation with all of the groups with which we have been consulting. This minister is not prepared to accept from the member that this government is doing anything other than consulting in a fair way before it announces its policy position.

Mr Tilson: The Insurance Brokers Association of Ontario has indicated that it has received from the ministry a discussion paper entitled *Automobile Insurance Reform Objectives*, which listed seven objectives. They distributed that to all of their members. No one else has received this

paper. The minister had better review his notes, because other people have received this paper.

I would like the minister to comment on a statement by his deputy minister, Blair Tully, to a group called *People Against the Insurance Nightmare* in a meeting on September 26, 1991. He said that legislation would not be introduced until next spring, tentatively July 1992. Is it going to take that long before he introduces his bill? Why is the minister taking so long?

Hon Mr Charlton: Obviously the member has difficulty both reading and comprehending.

Interjection.

The Speaker: The member for Dufferin-Peel, I realize the issues brought to the floor of the House are contentious. It would be helpful if we did not use language that other members could construe as insulting. Perhaps the minister, in his response, could refrain.

Hon Mr Charlton: If the member is upset by the comment, I withdraw it. The seven objectives the member has referred to are the same seven objectives released on September 6 and the same seven objectives the Premier and this minister have talked about over the course of the last month at every press opportunity and every question opportunity in this House. The papers which we sent out to all of the stakeholders who were involved in the debate on auto insurance over the course of the last year contain the same seven objectives that were announced on September 6.

Mr Tilson: No one has seen it. That's bunk.

The Speaker: The member for Dufferin-Peel, just relax.

Hon Mr Charlton: In relation to the member's question regarding the deputy minister, the deputy's comments have been substantially misinterpreted by the opposition. I have said in this House that we intend to introduce legislation this fall, legislation which we hope will be effective, after public hearings next winter, in June 1992.

ALGOMA CENTRAL RAILWAY

Mr Martin: I would like to direct a question to the Minister of Northern Development and Mines. Late last week, one of the major employers in my riding of Sault Ste Marie, the Algoma Central Railway, gave 16 weeks' notice of layoffs to its employees. These are troubled times in the Sault. Certainly a 565-person layoff by a major employer like the ACR will cause continued hardship in the Sault. Is the minister aware of this layoff notice and what does she intend to do about it?

Hon Miss Martel: I know of the member's concern for the residents in the community and how he has worked for the last year to try and have a positive result for some of the difficult times being faced by residents in Sault Ste Marie. I am aware of the layoff notices that were given to the employees and I am aware of the uncertainty this has caused in the community. It is unfortunate that the notices were given at this time, given the negotiations going on with respect to restructuring at Algoma Steel.

I do not want to speak for Stan Black, the president, but I can only assume he did so because under the Canada Labour Code he must provide 16 weeks' notice of termination. I

assume he was responding to a business plan that was released by Algoma Steel last week which indicated that the ore division in Wawa would not continue under the new plan. I want to remind all members in this House that nothing is etched in stone, that negotiations on the restructuring of Algoma Steel continue, and that this government and, I believe, all members of the House hope the outcome of those negotiations is positive.

Mr Martin: I bring to the attention of the House and the minister the fragile nature of the mental health of our community. The Algoma Steel restructuring is something the whole community supports. As a matter of fact, we have with us today in the visitors' gallery Mr Frank Sarlo and Mr Tom Bonnell, leaders of the community action team. What commitment are the government and the ministry going to make to our community to lessen this anxiety?

1440

Hon Miss Martel: There are a couple of things both the ministry and the government have done. Members will recall that last December the government provided, through the northern Ontario heritage fund, \$5 million to ACR in order to have the operation continue. We also said at this time that the Ontario Northland Transportation Commission and ACR would enter into negotiations in order to determine their joint future.

All members will recall, of course, that given the restructuring going on right now, some of our negotiations with respect to that future are in limbo until we know what the results of the restructuring are. But in the last year we have committed \$25 million to the city through anti-recession funding. We have put \$3.8 million into reducing the municipal debt and we have put in \$2.6 million to retrain steelworkers who have been laid off. My own ministry in particular has taken the lead in working with the mayor and the council and the federal and provincial members to put together a long-term plan for economic diversification. We expect that will be released in the new year. We look forward to working with the community to develop those proposals.

SMALL BUSINESS

Mr Offer: I have a question for the Minister of Labour. I want to refer to the recent survey by the Canadian Federation of Independent Business, which, as the minister knows, represents many thousands of businesses and hundreds of thousands of jobs. An overwhelming 85% of the firms surveyed found the current Ontario business climate to be unfavourable or very unfavourable, and one of the major factors affecting business owners' assessment of the business climate was the government's apparent bias against business.

We are now dealing with Bill 70, the wage protection plan, in committee of the whole House. An amendment to the bill has been presented which would exempt small business from the enforcement mechanism of the bill while at the same time providing protection to the workers. In committee, the government turned this amendment down. The minister has an opportunity before him to send out a positive message to the small business community in this province. Will the minister support this amendment?

Hon Mr Mackenzie: No, I will not be supporting that amendment.

Mr Offer: I, as well as the small business community in this province, am quite disappointed with that response. This is a no-cost amendment. It does not in any way erode the principle of the legislation. It sends out a positive message to the small business community to expand in this province. Could the minister share with us what possible reason he has for not accepting an amendment that does not detract from the principle of the legislation and does not detract from the protection afforded under the legislation, while at the same time providing a positive message to the small business community in this province?

Hon Mr Mackenzie: The member knows very well the bill covers money that is already earned and owing to the workers. I do not see any purpose in setting a double standard, whether the company is large or small, in terms of money that has actually been earned by the workers and not paid.

ASSISTED HOUSING

Mr Turnbull: My question is to the Minister of Housing. At a sod-turning ceremony tomorrow, construction of a 111-unit co-operative apartment building in North York will begin. The total annual subsidy for these apartment units is estimated to be more than \$2 million, greater than \$1,500 per unit. That is over and above what the tenants will pay. Does the minister believe that spending over \$1,500 per month per unit in subsidies is an efficient use of tax dollars at a time when there are over 20,000 people in Toronto who have no accommodation at all?

Hon Ms Gigantes: I will not question the facts as presented by the member opposite, because I simply do not have enough information to question what he presents as facts. I would be glad to receive whatever information he feels he has and review it.

Mr Turnbull: I got the facts in a news release from the ministry. Perhaps the minister does not read what she puts out. I looked in the papers today at what \$1,500 will rent in the area. I cannot find anything at \$1,500. All the things that are for rent in that immediate area are for less. Let me just read: "Avenue Road north of Lawrence, two bedroom, eat-in kitchen, fridge and stove, parking, \$950 a month. Avenue Road south of Wilson, two-bedroom apartment with patio, totally renovated"—

The Speaker: Order. Your supplementary.

Mr Turnbull: —"with or without appliances, \$1,100."

There is no dispute among any of the members of this Legislature that we need to provide affordable housing for those truly in need.

The Speaker: Does the member have a supplementary?

Mr Turnbull: But spending \$1,500 a month of taxpayers' money per unit does not make sense when the private sector is ready, willing and a lot more able than the government sector to provide it. By 1995, subsidies will cost about—

The Speaker: Would the member take his seat, please.

Mr Turnbull: My question, Mr Speaker—

The Speaker: I asked twice if you had a supplementary. Apparently you do not.

Mr Turnbull: I have a question, Mr Speaker. I can place it.

The Speaker: Can you quickly place a supplementary?

Mr Turnbull: In view of the astronomical figure, will the minister commit today to study the idea of shelter allowances to ensure the best use of taxpayers' money in order to give housing in this province?

Hon Ms Gigantes: I certainly would not suggest that anybody should question the information in a Ministry of Housing press release, but what I would suggest is that if my friend opposite would like to identify the press release, we will have somebody take a look at his long division.

Mr Turnbull: I would be happy to identify it.

The Speaker: No, would the member take his seat, please. He can pass that information along at some other time.

ASSISTANCE TO FARMERS

Mr Sutherland: Given the desperate financial situation farmers across Ontario are facing, the farm community welcomed the \$35.5 million emergency assistance package announced last week by the Minister of Agriculture and Food as part of this government's plan for economic renewal in this province. At that time the minister said he would "call on the federal government to live up to its commitment to provide financial assistance to Ontario farmers in these extraordinary times." Can the minister tell the House what he has done to prompt the federal government into action?

Hon Mr Buchanan: I thank the member for Oxford for the question. First of all, I spoke to the minister, Mr McKnight, last week. I have written him letters calling for aid, as have other ministers across the country, calling on the federal government to respond to the farm crisis we have in this country. To this point in time, none of the other provinces has had a response. The federal government says it is listening.

I would say to the member, though, that I think taking action in this province and setting a good example, by having done some consultation and listening to what the farm organizations have to say and responding, is the best way to lever some money out of the federal government, to show what needs to be done by example rather than simply calling on it to respond.

Mr Sutherland: In the emergency assistance package for Ontario farmers, there is an additional \$11 million for the \$50-million farm interest assistance program announced last April. In my riding of Oxford, 538 farmers have received more than \$2.7 million from the interest relief fund. That financial aid is a welcome relief for farmers facing severe financial pressure. Given that the Minister of Agriculture and Food has just told this House that he has been actively prodding the federal government to

come through on its promise of third-line defence assistance, can he tell us when he expects to have a response from the federal government on his request?

Hon Mr Buchanan: To date, the federal government has said there is no money for farmers. The other point Mr McKnight made to me last week was that the Prime Minister was in Winnipeg to listen to farmers and that there would be no announcement. We certainly share the frustration farmers have with that response.

The one good point I can report to the House today is that at noon we received notice that there will be a federal-provincial ministers' meeting in Winnipeg next Tuesday. Hopefully at that time the government of Canada will have something good to say to the farmers of Canada.

1450

DRUG OFFENCES

Mr Ruprecht: I have a question of the minister responsible for law and order in this province, the Solicitor General. Every day the illicit drug trade on our streets claims new victims. Our young people are a special target for drug pushers and pimps, and our police tell us that those who are hooked on drugs turn to a life of crime and destruction that costs this province literally billions of dollars.

Today, I received new statistics that will open members' eyes. This year alone, 1,703 seizures of crack cocaine were made, an increase of 343 cases over last year. In addition, because of the new, devastating guns used by the drug pushers, many more innocent people are getting killed, including some of our police officers. When will the Solicitor General get serious with these drug pushers and drug traffickers?

Hon Mr Pilkey: I am not aware that the law enforcement officers in this country, whether they be OPP or municipal police or the RCMP, have been anything but serious with drug pushers.

Mr Ruprecht: As members just heard, that surely is not the point. The question originally was, what is he doing and when is he going to act? But I will ask my supplementary.

Just yesterday I attended a meeting in my community and was told that our Metropolitan Toronto Police drug squad keeps confiscating large amounts of crack cocaine and Uzi machine guns, automatic machine pistols, Saturday-night specials and handguns. These are killing machines.

Most of the drug deals, as the Solicitor General knows, are made in connection with cars and the ready access to automobiles. In fact, the experience the police are telling us about has shown that the success of drug trafficking is facilitated by ready access to motor vehicles. Metro council made a recommendation to this minister. The recommendation was simple: There should be an automatic driver's licence suspension for a person convicted of dealing in drugs.

When will the minister finally implement the recommendation by Metro council to stem the tide that is destroying not only our young people but also whole communities in Metro Toronto?

Hon Mr Pilkey: I will undertake to review the resolution of Metro council and respond to the member in the House subsequently.

FARM PAYMENTS

Mr Villeneuve: My question is for the Minister of Agriculture and Food. I am sure that not only members of my caucus but members right across this Legislature have received questions from white bean producers as to when the Ontario government will sign the tripartite agreement with the federal government in order to receive the approximately \$100 per acre that is due to them. I have correspondence here that says the agreement was supposed to be signed in April. I gather it is not yet signed. Farmers are desperate for money. When does the minister feel the cheques will be forthcoming to these farmers?

Hon Mr Buchanan: I thank the member for the opportunity to answer that question publicly. The program he refers to is a federal-provincial program. White beans are grown in more than just Ontario. The reason for the holdup is that Manitoba has not yet agreed to the proposals that Ontario and the federal government agreed to back in the spring. We have no problem as a province and are quite willing to sign the agreement. The federal government, on the other hand, has decided not to proceed until we get Manitoba on side.

I was told last week that Manitoba is almost ready now to agree to the deal that was agreed to by other provinces in the spring. As I mentioned earlier, I will be in Winnipeg next week and I intend to talk to the minister about getting on with this program so that we can get the money out to white bean producers as soon as possible.

NOTICE OF DISSATISFACTION

The Speaker: Pursuant to standing order 33, the member for Brampton North has given notice of his dissatisfaction with the answer to his question given yesterday by the Minister of Community and Social Services concerning the minister's disposition of a request for an order in council concerning Sabrina Panetta. This matter will be debated at 6 pm today.

MOTIONS

PRIVATE MEMBERS' PUBLIC BUSINESS

The Speaker: Mr Cooke moves that Mr Cooper and Mr Christopherson, Mr Ruprecht and Mr O'Neil (Quinte), and Mr Wilson (Simcoe West) and Mr Mancini exchange places respectively in the order of precedence for private members' public business.

Motion agreed to.

PETITIONS

OATH OF ALLEGIANCE

Mrs Caplan: I have a petition that I would like to table. It reads as follows:

"To the Legislative Assembly of Ontario:

"Whereas Her Majesty the Queen, at her coronation in 1953, took a personal oath to the people of Canada, and Canadians have always reciprocated with oaths of allegiance and service to the person of the sovereign;

"Whereas, it is our right and duty to take oaths of allegiance and service in such form;

"Whereas, Ontario Regulation 144/91 made under the Police Services Act, 1990, denies Ontarians this right;

"We, the undersigned residents of Ontario, loyal to Her Majesty Queen Elizabeth II, Queen of Canada, petition the Legislative Assembly of Ontario to resolve that His Honour the Lieutenant Governor in Council be requested to revoke Ontario Regulation 144/91 and restore the traditional oath of service to Her Majesty for police personnel in Ontario."

I present this petition to the Speaker and I point out that there are seven pages to the petition.

Mr J. Wilson: It is my privilege to present a petition to the Legislature of Ontario:

"Whereas the Queen of Canada has long been a symbol of national unity for Canadians from all walks of life and from all ethnic backgrounds;

"Whereas the people of Canada are currently facing a constitutional crisis which could potentially result in the breakup of the federation and are in need of unifying symbols;

"We, the undersigned, respectfully petition the Legislative Assembly of Ontario to restore the oath to the Queen for Ontario's police officers."

That is signed by a number of residents from the village of Tottenham in my riding of Simcoe West, and I too have affixed my name to this petition.

NURSING HOMES

Mrs Sullivan: I have a petition which reads as follows:

"We, the undersigned, request that the government of Ontario immediately rectify the inequity in funding between nursing homes and homes for the aged. We strongly support the Ontario Nursing Home Association in their efforts to provide better care for residents of nursing homes through increased funding."

This petition is signed by 120 people, and I have affixed my signature.

TOBACCO TAXES

Mr Stockwell: "To the Legislative Assembly of Ontario:

"Whereas the present high level of taxes on tobacco products are excessive and contrary to the interests of Ontario's two million smokers; and

"Whereas high tobacco taxes are contributing to retail theft and to our province's cross-border shopping crisis; and

"Whereas these punitive taxes and resulting lost sales are contributing to inflation as well as costing jobs in Ontario; and

"Whereas high cigarette taxes are regressive and unfair to low- and modest-income citizens;

"We, the undersigned, petition the Legislative Assembly of Ontario as follows:

"That Ontario's tobacco taxes should not be increased in 1991 and, further, that these taxes should be repealed and a new lower and fairer tax be introduced."

I have 1,120 names on this petition, signed from the Western Fair in London between September 6 and 15, and I have affixed my signature as well.

Mr Runciman: I have a petition which is signed by citizens of Ontario attending the Ottawa Exhibition between August 15 and August 25 of this year. It reads:

"Whereas the present high levels of taxes on tobacco products are excessive and contrary to the interests of Ontario's two million smokers; and

"Whereas high tobacco taxes are contributing to retail theft and to our province's cross-border shopping crisis; and

"Whereas these punitive taxes and resulting lost sales are contributing to inflation as well as costing jobs in Ontario; and

"Whereas high cigarette taxes are regressive and unfair to low- and modest-income citizens;

"We, the undersigned, petition the Legislative Assembly of Ontario as follows:

"That Ontario's tobacco taxes should not be increased in 1991 and, further, that these taxes should be repealed and a new lower and fairer tax be introduced."

This has been signed by over 1,000 citizens of Ontario.

1500

ORDERS OF THE DAY

House in committee of the whole.

La Chambre en comité plénier.

EMPLOYMENT STANDARDS AMENDMENT ACT (EMPLOYEE WAGE PROTECTION PROGRAM), 1991

LOI DE 1991 MODIFIANT LA LOI SUR LES NORMES D'EMPLOI (PROGRAMME DE PROTECTION DES SALAIRES DES EMPLOYÉS)

Resuming consideration of Bill 70, An Act to amend the Employment Standards Act to provide for an Employee Wage Protection Program and to make certain other amendments.

Suite du débat ajourné sur la motion visant la deuxième lecture du projet de loi 70, Loi portant modification de la Loi sur les normes d'emploi par création d'un Programme de protection des salaires des employés et par adoption de certaines autres modifications.

Section/article 5:

The Acting Chair (Ms Haeck): Are there any further comments on Mrs Witmer's amendments?

Mr Wiseman: I would like to complete those few comments and say that I think it is important that this bill be passed expeditiously so that the negative effects of the federal policies with the dollar and the interest rates and the consequent loss of businesses do not negatively impact on the workers of this province. I hope the members of this House will take this opportunity to move quickly through these amendments and to pass this bill so that respite and funding can then be channelled to the workers who are being negatively impacted by the federal policies.

The Second Deputy Chair: Is it the pleasure of the House that Mrs Witmer's amendment carry?

All those in favour will please say "aye."

All those opposed will please say "nay."

In my opinion the ayes have it.

Vote deferred.

Mr Offer: Mr Chair, I thought I heard you say that in your opinion the "ayes" have it.

The Second Deputy Chair: I did.

Mr Offer: I just wanted to make that clear.

The Second Deputy Chair: The vote is now deferred according to our standing orders and stacked with the other amendments.

We are now moving to an amendment by the official opposition.

Mr Offer: Thank you, Mr Chairman. I am still running past that last vote.

The Second Deputy Chair: Mr Offer moves that section 40i of the act, as set out in section 5 of the bill, as reprinted, be amended by striking out "or such greater amount as is prescribed" in the fourth and fifth lines.

The honourable member for Mississauga North may want to expand on this amendment.

Mr Offer: I certainly do, and I thank you for that opportunity, Mr Chairman. This particular amendment, I believe, is very important in so far as it goes to meet some of the concerns raised by many individuals who came before the committee during our public hearing process. I hasten to add that this public hearing process was quite short. It was but two and a half days, I believe, on a bill which I felt and my caucus felt required—in fact demanded—a great deal more input, more consultation, more discussion and travelling. Unfortunately, the members of the government did not agree to that type of consultation, listening to the business community, listening to individuals who would have been impacted and will be impacted by this bill and, as such, we had a very short hearing process.

Notwithstanding that, even in that shortened period of time, a great many people came before the committee and spoke about the need to have a certainty that any changes to the legislation would be made in this Legislature, would be made by amendment to the bill, would be introduced by the Minister of Labour, would then be subjected to the necessary rules of procedure in this Legislature, the first reading, the second reading debate, the committee deliberation, the public hearing process, the clause-by-clause deliberation, and back to this Legislature for final passage.

The way the bill is now written is that any change to the dollar amount in the bill will be done by regulation as opposed to legislation. I have spoken about this point earlier on and will continue to do so today, because I believe this to be of crucial importance and in a very real sense underlines the concerns of those people, the business community and the like, over this legislation.

No one denies that a government has the right to introduce legislation or to change the legislation as it sees fit, but when one does it through regulation it means those changes are not brought before this Legislature. It means that changes to the bill, changes to the monetary amount of

the bill, will be done outside of the Legislature, will be done through a cabinet meeting.

I see the member for Cochrane North shaking his head. With due respect, he is absolutely wrong. The fact is that when things are done through regulation, when things are done outside of this Legislature, he will not, as a member for his constituents, have any say in those changes. Those changes will be made without the member, without anyone, being able to assess from his constituents the impact of those changes. That is something that is very important. It is certainly very important for us as legislators. This is not a partisan issue. This is not a Liberal, Conservative or NDP matter. This is an MPP matter. This is the reason we were elected. Are we here to represent, to assess, to discuss how any change in legislation impacts on our constituents or are we not?

When one does things by regulation, though members may want to—I try to make this non-partisan—they will be unable to do so. They will be unable to do so because the change is one which they will read about in a news release. They will have no say in whether a \$5,000 change should be changed at all, or changed to \$7,000 or \$10,000 or \$15,000. They will have no say in that. They will not be able to stand in their places and discuss the impact of those changes on their constituents, their business community, or even whether there is a need for change.

1510

One of the things we have been elected to do is to bring those types of concerns, those opinions, to this floor, to discuss freely whether change is necessary and, if so, what the impact of that change may be.

When one does this by legislation, of necessity there is the opportunity to make those types of arguments. Of necessity, through our rules of procedure, those changes have the opportunity of being moved to committee where we can have full discussion, full consultation, with people who feel they are affected by any change.

In this amendment, we and members on the government side have an opportunity. We have the opportunity to send out a positive message that we are willing to listen, that we are ready to provide the forum where those concerns can certainly be made known.

I think we should also recognize what happens if government members vote against this. What happens if they say no to this amendment? What happens if they say no, no legislative debate, no public hearing? How can they then stand up, as I am sure they all will do, and make their speeches about the need for consultation? How can they stand and make their speeches, as I am sure they will, about the importance of creating a new climate of consultation and confidence with the business community? How do they make those speeches when they have shut the door to this chamber? They shut the door when they say "regulation" instead of "legislation."

What do they say to their constituents when they come into their offices and say: "A change has happened to the wage protection plan where the \$5,000 level has been increased, and this is how it is going to impact upon my business. This is what it means to jobs in your riding"?

What do they say to those people who have come to their offices?

Do they tell the people that the government members are the ones that shut the door for debate? When voting against this amendment, that is what they are doing. They are shutting the door on those valid concerns by their constituents. They are shutting the door of this chamber, they are shutting the door of their constituency offices, they are shutting the door of committee rooms. They are saying that as far as change to the wage protection plan is concerned, there is absolutely no need to listen to the people, there is absolutely no need to listen to what the impact of any change will be. They are saying they know what the right change should be and they know what the impact will be.

The government members know as well as I that the fact is they do not know the impact. They do not know what it means to a small business if the \$5,000 limit is changed to even \$6,000 or \$10,000. They do not know how that affects the liability of the employer and the directors of the company. They do not know what that means in terms of the ongoing costs of carrying on business. They do not know what it means in terms of the potential premiums those small business people are going to have to pay. I do not say this as a criticism. The fact of the matter is they just do not know.

We cannot know, but what we can do is provide the opportunity to know, we can provide the opportunity to be aware of the impact of any change. Legislation allows that; that is why we have it. Regulation does not. Regulation in such a crucial aspect of this bill sends out the message that the government has absolutely no reason to listen to the people of this province, to the business community, large, medium and small. They have no desire to listen to the potential impact any change will have on their constituents. They have no interest in listening to what this means in terms of jobs and the creation and expansion of wealth in the province.

It is so unnecessary. That is what is very difficult for me to truly understand. It is so unnecessary that this very negative message has to go out. That message can be overturned by voting in favour of this amendment. This amendment will open the doors to this chamber, to committee rooms, to their constituency offices, to their Queen's Park offices. It sends out a more positive message.

Earlier today I spoke about the survey done by the Canadian Federation of Independent Business. We all know the importance of that federation and the work it has done in the past and the many thousands of businesses that are part of this federation and, as we all know, the many hundreds of thousands of jobs that are part of that.

We all know about the impact of negatively affecting small business. I believe that as late as yesterday the parliamentary assistant, in response to a question, alluded to the fact that small business is the single largest creator of new jobs in this province. We all recognize that. We have all made speeches about that. Now we have an opportunity to put some substance behind those speeches. Excuse me.

Hon Mr Wildman: I had a hard time with that one too.

Mr Offer: When I feel an issue, members hear it.

By accepting this amendment, we indeed are able to put that substance behind those speeches. I refer to the survey from the CFIB. The survey did not just appear. It came as a response—I am reading in part from this—to a groundswell of concern from small and medium-sized businesses in Ontario.

This survey was sent to over 3,500 members. They did confirm what I guess we all feel, that is, the deep malaise in the small business sector about the economic and political future of the province. I am going to stick to the economics of all of this, because I believe that is what is right and proper. An overwhelming 85% of the firms surveyed find the current Ontario business climate to be unfavourable or very unfavourable. We have to think about that: 85% say unfavourable or very unfavourable, from a federation which represents thousands and thousands of businesses and has an impact on hundreds of thousands of jobs.

1520

One of the major factors was the Ontario government's bias against business. I think this is too important a report not to be looked at word for word. I noted from across the chamber the parliamentary assistant stating that this was the CFIB's perceived bias against business. I must say, if the government members do not put any faith in the CFIB, if they are echoing concerns over the CFIB and what it is doing, then I suggest they should take the time to talk to some of the members of the CFIB. In fact, I would suggest they take the time to reread the submissions made to our committee during the Bill 70 hearings, because that type of concern was extremely evident as we carried out those hearings, shortened as they were.

We have to listen to those types of concerns. That is what people have elected us to do, to listen and to act. We have the opportunity to act today. We have the opportunity to say yes to this amendment. We have the opportunity to say we have heard the concerns. We want to make certain that this bill does contain within it, and through our rules of procedure here, the opportunity for those who are affected by any change in the bill to have their say, to talk to us about any impact that change may have, to be able to feel they can come to us in our constituency offices, our Queen's Park offices, to talk to us about changes, before they become the law of the day as opposed to after.

That is what the business community is talking about. They want to talk to us about impact. They want to talk to us about what it means to them to carry on business, to create new business, to expand existing business, to create wealth, jobs and an underpinning of economic strength. The government does that in a variety of ways, and one of the ways it can do that is by listening. That does not mean it is always going to agree, but it does mean it is going to listen. When the government does things by regulation, it is not listening.

Anybody over there on the government side who thinks that is the case is not in the real world. As members of the government, the backbenchers will have absolutely no say as to any change that is made at the cabinet table. They are going to read a press release by the Minister of Labour, and that press release will talk about the change to

the wage protection plan. They are going to say, probably in caucus, "Hey, what's happening here?" and they are going to be told, "Well, that's what we've decided."

Then the government members are going to go back on Thursday or Friday to their constituency offices, and the lineups will already be occurring from the small business people in their ridings who are going to be saying: "Do you know what this change means to me? Do you know what this change means in terms of my being able to carry on business, in terms of my being able to expand, to create jobs?" And what are they going to say? They are going to say, "I'm sorry, the change has already been made." By accepting this amendment, they are able to say: "I will bring your concerns back. I will debate those concerns. I will make certain your concerns are heard."

By voting against this amendment, the members are not going to be able to do that; they are just not going to be able to do that. They are going to have to live with those types of changes. They are going to have to live with the impact on small business. They know as well as I that we are living in very competitive times. Every day, we are sending out more and more messages to the business community, and we want to make certain that those messages, which to this point in time have been negative—I refer back to the CFIB report—start to become positive.

I do not speak in a partisan manner. Creation of jobs in this province is everybody's concern and hope. We want all of our constituencies to be as strong as they possibly can. Do the members think we want to raise job loss each and every day? Do they think we want to continue to remind the government that more and more firms are leaving this province, that more young people who have a little capital either in terms of cash or intelligence and want to open up a small business are now considering whether to open it up in this province?

One of the things we want to do is take that element out of the decision. We want the young people of this province to open up businesses here. We want them to create jobs. We do not want it to be in their decision-making whether it should or should not be in Ontario. We want it in this province, but one of the things we have to do here is make certain we have created a climate for that.

One of the things we can do is accept this amendment. To a lot of people, what does this amendment mean: "Legislation or regulation? It doesn't really mean that much to me." But to us here it does and to the business community it does, because we are all very well aware of the impact of legislation and any change to legislation. What legislation as opposed to regulation means is that we know of that impact prior to it becoming law.

We have discussed moving this part of the bill to the legislative process, and in the past the members of the government side have voted against that. I hope that maybe today, after having had the opportunity to think about what their role in this Legislature is, they will see the light in many ways and see the need for this aspect of the bill to be part of our legislative process.

What is it that we were elected to do? We were elected to bring forward some of these concerns. We were elected to reach out to our communities, not just in

our constituency offices but through committees, to a much larger group. We can do that and we try to do that. We have our arguments back and forth. We all have our different visions of what is the best and most proper course for this province to take in terms of health care, social services, housing or the economy.

I think people understand that we do have differing opinions. What people really understand is that they either have the opportunity to view us debating those differing views through our television station or actually coming before committees and being part of the process. I do not think people understand or accept the fact that they are shut out, and that is what this bill now does. It shuts people out. It excludes people who want to talk about why a change is necessary. It excludes people not just talking against it, but talking about why change should take place. It excludes equally those people and those speaking against it.

1530

What we do here affects in so many ways the way people live their lives. More and more people are becoming aware of that. They are tuning in. They know what we do and what we talk about increasingly has a real impact on how they lead their lives and on how they are able to compete. I think the message is clear. People want to be part of that. They want to have the option of being a part of the process.

By making this regulation, the government is taking away that option. It is saying to those people: "You don't have a choice. You can watch, but don't speak. You have an opinion but it is just not going to be listened to. You have a thought, a comment, but it is not going to be part of this debate." I do not think that is the way people, not only in this province but probably throughout the country, want to look at this institution.

They recognize that whenever they tune in, they may not agree with everything that is being done all the time. They recognize that there are times when they will disagree just as there are times when they will agree. There are times when they will say to the opposition parties, "You're absolutely right." We want to say to those people, "You should at least have the opportunity of being a real part of what we do." When the government does things by regulation it is just saying no to those people having any real part of this process.

Mr Cousens: Finish up, Steve. We have other things to do.

Mr Offer: I see that the member for Markham has made some comment. I think he would like to have some debate on this, and I hope he will take part in this debate because he recognizes there is certainly a need for the people of this province to have some impact on and input into any changes made to this bill. Whether or not they are in favour of the bill, they certainly want to be able to feel they can have a part to play in any change.

I ask the members of the government side to vote in favour of this amendment and in favour of debate. I hope that by supporting this amendment they recognize they are not detracting from this bill at all. This amendment in no

way detracts from the principle of the bill. In no way does it erode the rights of the employees or impact on the liabilities of business under this legislation. In no way does it affect the enforcement mechanism of the bill.

All this amendment does is to say that if there is going to be any further change to the bill, it should be done through the legislative process; that we as members are able to debate those changes; that we are able to bring to this floor the concerns, the opinions and the comments of our constituents, and that we, through the rules of procedure, are able to make certain that any changes receive the fullest public consultation.

That is what this amendment does. The question will be whether government members want to open up the floor of this chamber, whether they are in favour of public consultation and whether they are in support of listening to constituents' concerns about the impact of any change.

Mrs Witmer: I would like to speak to the motion that has been put forward. I certainly share the concerns that have been expressed by the member for Mississauga North.

This past summer we did have an opportunity to listen to many business people. They represented businesses throughout this province and spoke to us about the grave concerns they had about giving the government responsibility and the ability to make changes arbitrarily. The type of amendment that is being proposed here would make the government fiscally responsible and responsible to the taxpayers.

However, government members need to consider what they are going to be doing. They need to consider, on matters of fiscal expenditures, whether or not there should be public consultation and scrutiny. If they go ahead and determine arbitrarily what amount is needed to fund the payroll tax and what changes are to be made, there will be no public accountability and no fiscal responsibility.

It is absolutely important that any future changes to this bill be made by amendment to the act. It is absolutely important that we allow for a full public debate.

The people who appeared before us this summer were concerned about the legislation as it had been presented. However, they were totally terrified about the ability of the government to prescribe an even larger amount than was being suggested here, the sum of \$5,000, and the fact that this was going to be done without any public consultation or accountability to the taxpayers.

The employer groups are very concerned about this. I ask government members why they do not feel it would be appropriate or fair to consult with the people of Ontario. Why are they not willing to subject this to public scrutiny?

I and my party believe very strongly that whenever program spending increases are going to impact the taxpayers of this province we need public debate and public scrutiny and the MPPs need to be accountable to the taxpayers. The concern we have about this particular legislation being proposed here is that it gives such great power to the government without any consultation whatsoever. I certainly support the amendment as it is written here at the present time.

I suggest to the members of the government that they consider very seriously their responsibilities as members of this House. One of the things they have stressed and continue to stress is that they believe in the need for consultation. They believe each taxpayer in this province needs to provide input, and what they are suggesting here is totally contrary. It will not allow for consultation. There will be no public input from consumers, from employers or anyone else.

I believe very strongly that if government members are going to make any changes, if they are going to change the amount of the package, they need to do it by amendment and they need full public debate. I suggest that they give very serious consideration to approving the amendment as written here.

1540

Ms S. Murdock: I am just going to respond briefly with the reasons, as we stated in committee, why we are not in support of this amendment. Before I get into that, I would like to make some comments to the member for Mississauga North.

When Ms Ganong from the Canadian Federation of Independent Business was at the hearings—I am sure the member will remember—the intimation was made that the consultation was not happening with business. When she was questioned, her response was, “We’re consulted to death.” I am not saying by any degree that this means she agreed with the \$5,000 cap or any of that kind of thing. I just do not want people to believe that business is not being talked with or consulted with.

The CFIB survey has to be looked at word for word; I agree with the member and we intend to do that. We just got a copy yesterday of the exact survey and the questions asked and we will be looking at that. The survey did relate to labour changes, but it was specifically related to the proposed discussion paper coming out on the Labour Relations Act and was not specific to the employee wage protection act.

The arguments being made about talking to the public and not having this come before the House in legislative form in terms of future changes in this particular amendment, in our view, would mean we would then have to come before the House to make changes on the basis of the plans for this amendment to section 40i, the changes that would be required for inflationary measures. This amendment is with regard to the actual cap. For instance, it is with regard to \$5,000 in this day and age being worth a certain amount of money and in 10 years from now perhaps not being worth that much. I started working 25 years ago at \$290 a month; \$290 a week would not be sufficient to live on now.

Times change and this regulatory power gives us the power to make those kinds of changes. It would require then that every time that happened we would have to come before the House and have it debated, as we are doing in this particular instance. I would point out that there are other acts, such as the Workers’ Compensation Act, which are indexed and automatically increased without coming

before the House; old age security Canada pensions are increased quarterly, rather than legislatively.

The effect on small business in this particular instance is also going to be nil. The people who would be applying for that cap, small businesses, would not be solvent. Therefore, it would be coming out of the fund and not out of the small businesses, and those that are solvent should be paying their bills to their workers anyway.

Mr Offer: I had anticipated that the debate on this particular amendment was going to be complete, but then I heard the parliamentary assistant’s final comments and two questions arise. First, she said small business would not be affected by this bill. I am wondering whether she can explain that. Second, as an addendum to that first question, how is small business or any business not going to be affected by any change in legislation which has the potential of increasing liability?

The Second Deputy Chair: Thank you. Further debate or comment?

Mr Offer: Mr Chair, I asked a question of the parliamentary assistant. If she is going to respond, I would like to have the opportunity of listening to that response. If not, I have a few other comments.

The Second Deputy Chair: Does the parliamentary assistant wish to reply?

Ms S. Murdock: I will certainly reply to those two questions. I just wonder, is this getting into a debate format or are we going to be responding to the amendments?

The Second Deputy Chair: This is the place for both debate and questions and answers, so it is up to the parliamentary assistant.

Ms S. Murdock: Okay. First, I did not say there would be no effect on small business by this bill. I said that for this particular amendment, 40i, the regulatory power of increasing the \$5,000 ceiling would not affect small business in that where employees would be applying under this fund to access the \$5,000, the small business the employee had worked for would either be insolvent or, if it was already operating, those employees probably would not be accessing this particular fund. If they had accessed it, then the employment standards branch people would be going after the employer if the employer were solvent. Our estimation is that if 1% of the employers are solvent, that will be high, in the people who access this.

The second part of your question was—remind me; I have forgotten.

Mr Offer: The second part of my question was really for you to explain how small business could not be affected by a particular amendment, part of the bill, which has as its object the possibility of increasing liability.

Ms S. Murdock: It was the liability aspect I wanted to respond to. The liability here is to the consolidated revenue fund, obviously, which has the money set aside, except for those employers who are solvent. Otherwise, there would be no liability except for what they owe the workers for work that has already been done, when the worker has earned the moneys that are owed as determined by the employment standards officer.

Mr Offer: As a short follow-up to this debate, I think the parliamentary assistant, with all due respect, is limiting the impact of the bill. I am trying to be as kind as I can be in this.

One does not look at the cost to small business as, well, the business has gone bankrupt, so any employee is going to access the fund, so there is no cost to the small business because it is out of business. That might be qualified as sort of correct, but that is not the impact this bill is going to have. I hope the parliamentary assistant, the Minister of Labour and the ministry officials recognize that the impact of the bill is going to be an ongoing cost of doing business.

The government has every right to bring forward a bill of this nature, and we have every right to bring forward concerns. But do not say there is not a cost to small business or to business generally, because the fact is there is going to be a cost to business. They are going to have to obtain insurance to cover the possibility of personal liability. That is going to be a cost of doing business. It is going to be a cost of doing business prior to the business getting into financial difficulty or going bankrupt, or for years and years and years in its existence, but it is going to be a cost, and that cost is going to be as a result of the bill.

1550

I am not saying it is something we should not be discussing. We should be. But I am concerned when members of the government believe there is not going to be an ongoing cost of doing business as a result of this bill. It may be that they are saying the cost is worth it. They have every right to say that, they have every right to argue that. We have every right to disagree or agree. But I cannot understand how they can day in and day out say that this bill, in itself, will not be a cost of doing business. It just is not in the cards. It is not in the real world.

People run businesses. They are not all big business people. They want to protect themselves, they want to protect their families, they want to protect themselves in a personal sense, and the way in which they are going to do it against this bill is to get insurance. The cost of that is going to be a cost of carrying on business. So please do not continually try to argue that there is not going to be a cost, because that is talking about a bill that is just not in existence.

It is going to be a cost. Let's talk about that. It is very difficult. I would suggest that business gets extremely concerned when the government, after looking at the bill, does not feel there is any cost involved. I think they get that negative sense that government does not understand. I think the government has an opportunity to say, "Yes, there is a cost, but we in the government believe the cost is worth it." They have every right to say that. But when they say there is no cost, the business community says, "My goodness gracious, these people are making up legislation and they don't even understand what the impact of it is." Please, at least acknowledge there is going to be a cost to the business community as a result of the passage of this legislation.

The second area I want to talk about—the parliamentary assistant was interesting in terms of her response. She talked about my amendment and why they cannot support

my amendment because it really applies to some inflationary or possible inflationary aspect of the \$5,000 limit. That is sort of a neat way of arguing the matter. The fact remains that her government is not prepared to accept a change to the monetary limit of this legislation going through the legislative process.

I recognize that the parliamentary assistant does not have to answer the question, but I will pose it. If she and her colleagues are prepared to accept an amendment which will have as its effect the change of the monetary amount being moved from regulation to legislation, would she please say so now? If they are not, as has been their stated case, could she please explain the fear they have of bringing forward changes in this legislation to this Legislature?

The Second Deputy Chair: Further debate on Mr Offer's amendment to Bill 70? Seeing none, is it the pleasure of the House that the motion carry?

All those in favour will please say "aye."

All those opposed will please say "nay."

In my opinion the nays have it.

Vote deferred.

The Second Deputy Chair: I want to remind members that to participate in the debate or to stand up, they must be in their seats.

We now move on to a Progressive Conservative amendment.

Mrs Witmer moves that section 40i of the act, as set out in section 5 of the bill, as reprinted, be amended by striking out "\$5,000 or such greater amount as is prescribed" in the fourth and fifth lines and substituting "\$4,000."

Mrs Witmer: This is certainly compatible with our first amendment. Our first amendment was to limit the definition of "wages" to earned wages. What we were proposing was that we would only include earned wages, and that would include vacation pay. However, we were suggesting at this time, given the very uncertain economic climate and the hardships that many people in this province are facing, that we would like to see this fund compensate employees only for actual wages they had worked for and earned. To go beyond the normal definition of wages and to include termination pay—those are usually contractual obligations. We certainly question whether or not all taxpayers in this province should be paying for contractual obligations as opposed to actual earned wages.

We are very concerned about the generosity of this program. Although we very strongly support the right of workers to protection, we question whether or not this government, given the current economic uncertainty, can be this generous at this time. Certainly, if we take a look at what is happening in other provinces, we can see that we are leading the way. Only Manitoba has a plan similar to ours. It only gives compensation up to a total of \$1,200. The amount we are suggesting here, to limit maximum compensation to \$4,000, is far beyond the Manitoba total, and as I have just indicated, that is the only province in Canada that presently makes this type of allotment to employees. We feel the \$4,000 would adequately cover the earned wages. It is also the amount that parallels the

current maximum liability an employment standards officer can order an employer to pay.

We very strongly urge the government to consider supporting this amendment. I think the one thing we need to take into very serious consideration is that in this province, because of bills such as Bill 70 and the one being proposed around the Labour Relations Act, and even the one related to the parental leave plan, we have created what appears to the business community to be a very hostile environment.

Businesses are frightened. In fact, some of them have indicated they are terrified. They are finding it very difficult to compete with their American and Mexican counterparts. They are finding the labour rates very high. They are finding the taxes very high. They are suffering from this recession. When they take a look at a piece of legislation such as Bill 70, they find it very threatening. They see the potential of bankruptcy in the event of their business failing. They are starting to ask themselves the question, "Why would I want to do business in Ontario when I'm faced with legislation that threatens my livelihood?"

1600

This bill has prompted many employers throughout the province to downsize their present operation. It has encouraged others to prepare to close down their operation altogether and move south of the border or to another province. I would urge the government to very seriously consider the impact this type of legislation has on jobs. Although we want employees protected when jobs are lost because of bankruptcy or insolvency, we have to balance that with the creation of new jobs. I think if we were to consider seriously what the number one desire or objective of most people would be, they would want a job as opposed to receiving compensation from this fund. I believe this government needs to do everything possible to make this environment more friendly for business people.

I take exception to one of the comments made by the parliamentary assistant, when she indicated that consultation was taking place. I am concerned that although consultation is taking place with the business community, its concerns are not being considered in the legislation.

I am very concerned that after two weeks of dealing with Bill 70 this summer, there was not one substantive amendment made as a result of those hearings. I question why we invited people to come and share their concerns about this bill when the government was not prepared to make any changes. If that is the way it is going to be, I feel we wasted taxpayers' money meeting here for two weeks and receiving additional pay for doing so. I suggest to the government that it take a look at real consultation, and that means changing the legislation so it has input from all the parties that have made representation.

I would like to indicate to the government that there were many small business people who came before us and shared with us their concerns about this legislation. They indicated to us it was going to increase the cost of doing business in this province, because they were going to be forced to buy insurance. I do not believe this government has seriously considered whether or not this insurance is even going to be available for all companies. The indication we have is that those companies most in need of

insurance, those companies that are in severe financial straits, will not be able to get the insurance anyway.

What we are doing by bringing forward this legislation, by placing a cap of \$5,000 and giving the government an opportunity to change the cap and the compensation package at any time, is saying to the small business people throughout the province, "Your concerns do not matter." I would remind the government again that it is the small business community that creates most of the jobs in this province. I ask them to start to consider not only the needs of employees, but also the needs of employers and to do everything they can to help create jobs in Ontario and give back to those who have lost their jobs the self-esteem they desire.

Mr Offer: I have a few comments on this amendment. The amendment, I think, raises three areas that have to be addressed, and hopefully the parliamentary assistant and her officials might be able to help.

The first is, what would the impact be on employees who would be eligible under this plan in the event that the ceiling were lowered from \$5,000 to \$4,000? The second question that arises is, is the word "prescribed" a difficulty in being taken out of this section? The third is whether there has been any agreement between the provincial Minister of Labour and his federal counterpart in terms of harmonizing the recent announcement by the federal government over a similar national wage protection plan. I wonder if we might be able to get some sense as to what the impact might be.

Ms S. Murdock: On the intimation that this government is not willing to change anything or is not willing to accept any of the amendments, I point out again that before second reading we came in with 40 to 50 substantive amendments, predominantly due to the opposition's heated remarks and the many numbers of letters the Minister of Labour and I received on the very issues of their concern. So before we went into committee we had already come up with a number of amendments that took out most of the controversial aspects of the bill.

The second thing is that I think it is a mistaken belief that insurance costs would increase for the small businessman, employer, director. That is not the case at all. Under the present Ontario Business Corporations Act they already have those liabilities. Nothing has changed in terms of their kind of liability. It is just simply the enforcement provisions.

The other thing is that the average claim by a worker is \$4,200, as we have stated, and the \$5,000 at least is within that. That means there is going to be a large number of people under \$4,200 and there is going to be an equally large number of people above the \$4,200 mark. The \$5,000 cap does allow us to at least hit the average claim. That is why we are not supporting this amendment.

Mr Offer: The response by the parliamentary assistant really shows why there is such great concern, which was brought forward by the Canadian Federation of Independent Business's current survey. I think we have to recognize that in that survey it was found that over a third of the small firms surveyed are considering moving some or

all of their operations out of this province. It indicates that as many as 500,000 jobs in Ontario in the small business sector, 100,000 in small manufacturing firms, are at risk. If even only a fraction of these small firms actually follow through on their plans, job losses to Ontario from the small-firm sector alone can be forecast in the tens of thousands.

It goes on to say: "There is a widespread belief across the small business community that they could cope with all the negative economic factors, but the political uncertainty has pushed them beyond the breaking point. Many small firms feel that small business is unwelcome in Ontario."

Interjections.

Mr Offer: I note that some members on the opposite side do not like to hear this.

Mr Bisson: You're lying.

Mr Offer: The member for Cochrane South has indicated that the survey from the CFIB is lying.

1610

Interjection.

Mr Offer: Pardon me? I am sorry? Mr Chair, I think the—

The Second Deputy Chair: Order, please. The honourable member for Cochrane South has made a statement for which he has apologized. He may want to make sure it gets on the record.

Mr Bisson: Yes, I do.

Mr Offer: Just to make certain, actually, as I was referring to this survey from the CFIB, the survey which represents thousands of firms in this province and creates and is responsible for hundreds of thousands of jobs, the member for Cochrane South referred to the fact that I was lying.

The Second Deputy Chair: The honourable member has withdrawn.

Mr Offer: There is no question that this is obviously the essence as to why the CFIB, and not just the CFIB but the business community, and in fact people not even involved in the business community, have a great deal of concern about the current government. What type of message is it actually sending out? Why the heck would anybody want to invest in this province? Why the heck would they ever want to create a firm in this province? Why would they like to create a job in this province when they have members on the government side who pay short shrift to a report and a survey which has so many thousands of member firms as part of it?

Mr White: No reliability or validity.

Mr Offer: The member—I cannot recall what riding he is from.

Mrs Witmer: Durham Centre.

Mr Offer: The member for Durham Centre has seen fit to make some comment as he walks to and fro, but it would be nice for that member, if he feels it appropriate, to make some comment from his seat. We on the opposition side would certainly like to hear any contribution the member has to make that might be recorded in Hansard as opposed to the throwing out of comments as he moves from one member's seat to another member's seat in

certain anonymity from Hansard from recorded comment, but there will be opportunity for that member once debate on this matter has been completed.

We will wait to see if the member feels strongly enough to stand in his place and make some comment on this bill. I am sure there are businesses in his riding that have felt the effects of the recession. I am certain there are businesses and people who have lost their jobs who might have benefit from the bill.

Mr Mammoliti: What does this have to do with the bill?

Mr Offer: I see a member has asked, "What does this have to do with the bill?" In fact, the genesis of this bill was the recession and this bill was designed to help those people who are the victims of the recession. It will be interesting to see if members of the government side feel strongly enough to talk about the bill and about what it means to their riding.

As I was indicating: "...that even with the negative economic factors small firms have said in the past that they realize it costs more to do business in Ontario but that other benefits of being here have made this differential worth paying." I think that is important. "They are now re-evaluating their choices. They perceive themselves as truly unwelcome in the current environment as well as being uncompetitive as the extra cost of doing business in Ontario continues to grow."

As I was trying to make this point, some members from the government side were certainly quite critical in terms of my reading this particular part of the report I believe to be in context. I do not believe I have made up anything; it is part of the public record. Maybe the disparaging comments which have been cast by the members of the government side prove the point as to why businesses are now re-evaluating their choice, why they recognize that they are feeling truly unwelcome. I think that not just members of the government but all members have to recognize that if people feel that, then there is something that has to take place and we have to send out a stronger message.

The amendment put forward by my colleague the member for Wentworth North is, I believe, an important amendment. It is important because it tries to come to grips with some of the realities of the business community. I had asked a question of the parliamentary assistant. I know she does not have to respond, but it would be nice to know what the interrelationship is between this bill, not yet passed, and the federal bill now before the House of Commons, again not yet passed.

That federal bill calls for, in essence, a national wage protection plan with, I might simplistically say, a ceiling of \$2,000 and funded through an employer tax, if memory serves me correctly. It will be interesting to know what discussions have gone on between the Minister of Labour and his federal counterpart on the harmonization of these two bills, both not yet law.

Are we talking about a potential liability of \$7,000, being the \$5,000 and the federal \$2,000, or are we talking about a total liability of \$5,000 of which \$2,000 will be

paid by the federal bill? It is important to note that. Employees certainly came before the committee and said it was their hope that when these discussions took place on the harmonization, the liability would not be \$5,000 in total but rather \$7,000. There would not be a claim, as it were, for \$2,000 of the \$5,000.

Why do I read this? I read this from the CFIB survey because the parliamentary assistant continues to state that this bill will have no impact on the cost of doing business in this province. That is just patently untrue. I state that as a subjective matter on my part. I am allowed to say that.

Interjection.

Mr Offer: I see that another member not in his seat is causing some problems. If the member truly feels it is not parliamentary, then let him go to his seat, stand up on a point of order and state that. I have the right to say I do not believe that to be the case. It is just not the case of doing business in this province. People are going to have to get insurance. The cost of that insurance is going to be based on a variety of items.

The first will be how large the liability is. That will be determined at the outset by two factors. The first is the number of employees, because the number of employees multiplied by the maximum limit will in fact increase the liability. We all know an insurance policy of \$100,000 is going to be more than an insurance policy of \$100. It is a matter of multiplication.

1620

The second aspect in determining the liability will be the whole question of what the ceiling is. If it is \$5,000 and if there are five employees, the potential liability for those five employees multiplied by the limit will be \$50,000. If the limit is increased or if the number of employees is increased, then the potential liability increases. If the liability increases, so does the premium. If the premium increases, so does the cost of doing business. It is absolutely ridiculous to think this bill does not increase the cost of doing business.

I invite the parliamentary assistant to clarify how this bill does not affect a business owner, small, medium or large, and how this bill does not affect the cost of doing business. If the parliamentary assistant says it does not, then I see the reason for the CFIB survey stating, "My goodness, the government just doesn't understand." If it is a cost, then I would certainly like the parliamentary assistant to express that, because I think the business community would at least come to realize that the government side is now starting to understand that this bill does have an impact.

The Second Deputy Chair: Further debate? Seeing none, are we ready for the question?

All those in favour of Mrs Witmer's motion will please say "aye."

All those opposed will please say "nay."

In my opinion the nays have it.

Vote deferred.

The Second Deputy Chair: Do we have any further amendments to section 5? Seeing none, we will proceed to amendments to section 6.

Section/article 6:

The Second Deputy Chair: Mr Offer moves that section 40r of the act, as set out in section 6 of the bill, as reprinted, be amended by adding the following subsection:

"(6) This part does not apply to directors of corporations that employ fewer than fifty (50) employees."

The honourable member for Mississauga North may want to expand on his amendment.

Mr Offer: I certainly do. I want to go back really to the basic distinction of the bill. The bill is divided into two parts.

The first speaks to the fund itself, the access to the dollars, and talks about eligibility. It talks about who is eligible and for what. We know who is eligible and we know that, as the bill stands now, they are eligible for wages, vacation pay, termination and severance up to \$5,000. We know that.

There is a second aspect to this bill, that is, the enforcement mechanism. The bill in itself does not create any new rights. Those rights are found now under the Business Corporations Act and continue to be in existence, so this bill in itself does not create anything new. What it does do in this second area is talk about enforcement. In the event that a person who is eligible makes a claim against the fund, proves that claim and receives dollars, then we move into this second aspect.

The employment standards branch, through its officers, will enforce the amount the employee received against the employer or the director. There is a limitation to what they can personally enforce, and that is wages and vacation pay. Through amendment, the liability in terms of severance and termination pay has been deleted, but the directors still remain personally liable to the enforcement mechanism in so far as wages and vacation pay are concerned.

We have skirted around this issue almost since the first day the bill was introduced. As I indicated before, there is a cost to business once this bill is passed. I recognize government members have the right to introduce legislation and have the right to change it. I spoke earlier about how I believed that right should be exercised. I believe it should be exercised through the Legislature as opposed to through the regulatory mechanism, but they have that right.

What we want to do through this amendment is to say clearly to the small business community and to the directors of companies which have less than 50 employees: "Your obligation remains under the Business Corporations Act. It's clear that, in the event of your becoming insolvent or bankrupt, your employees will still be able to have access to the fund but you, as a small business person, will be exempt from the enforcement mechanism under the bill."

What does all that mean? It means that, in general, small businesses, those with 50 employees or less, will be, as far as the directors are concerned, in about the same position they are today: Their employees will be able to access the fund but the directors will not have their position changed by this particular bill. What is the matter with that? I am sure the parliamentary assistant will have some comments on this, but what is the matter with that?

This particular amendment will not erode the principle of the legislation. It will have no effect on employees being able to have access to the fund. It will have no effect on what the obligations and responsibilities of directors are under the Business Corporations Act, no effect whatsoever. That will remain the same. Employees will be able to access the fund as easily as they could before or after this amendment. The directors of those businesses will be as responsible and liable today as they were yesterday under the Business Corporations Act.

1630

It sends out a very strong and powerful message to the business community. It sends out the message that you will not have to worry about getting insurance to protect your person from this bill. It sends out a message that the government is ready to listen to some of the concerns that were raised by the business community. It sends out a message that the speeches that are made about how important small business is to this province, about it being the single greatest creator of new jobs in this province each and every year—the government is ready to listen to that, to recognize that importance and in fact to put some substance behind some of those speeches. That is what this amendment is designed to accomplish.

It does not cost the government any money. I think the parliamentary assistant herself, the minister and, I am sure, ministry officials all recognize that the actual possibility of recovering against those directors is minimal indeed. It just will not be there, because people in small business really sign away everything to the bank. They do that anyway; they do that to the lending institutions. So there really is nothing left to claim over against the directors.

So why not? Why not an amendment which does not cost the government any money, which does not affect the rights of the employees to access the fund, which does not take away from the principle of the legislation, which sends out a very strong and powerful message to the business community that the government is willing not only to listen but also to act? This amendment will accomplish those four objectives. We have to make this province more competitive. Small business does create more new jobs than anyone else in this province. What we want to do is make it, as best we can, easier for them to do it, easier for them to create, expand, continue to grow. This amendment keeps everything intact under the bill.

Everything that was there—all the protections to the employees, all the rights of those who have access to the bill—still remains in effect. All we are doing by this amendment is saying that the position of the small business and those directors will not be changed when this bill is passed. All we are saying is that the position they had yesterday will be the same tomorrow.

We are saying the province can be competitive, can send out the message that it is listening to business and can respond, and we now have a wonderful opportunity at hand, because it is rare to be able to send out such a message without it having to cost the government money. I know the government has made some statements about its concern, but the fact is that this is an opportunity.

Hon Mr Wildman: I actually thought you were right until I heard your comments.

Mr Offer: The Minister of Natural Resources has made some comment about my being right. I do not know if that was on this amendment or philosophical, but whatever the case, I am ready to accept that if we can get the minister's support.

I know the minister and all the members on the government side recognize this wonderful opportunity we have. We have the opportunity to make the bill sensitive not only to the needs of those who have lost jobs but also to the small business community, and without it costing dollars. This will not create any higher liability on the part of the government than now exists. We can do it all by accepting this amendment.

It will be strange indeed to hear whether the government members vote against this. I will be curious to see the government members, who so often speak about the small business community through those speeches to chambers of commerce, boards of trade, local business establishments. It will be interesting for them, I think. I cannot believe this government would vote against this amendment. Then what does it say to all those boards of trade, chambers of commerce and business establishments that say, "This amendment allowed you to give us a break without it costing you money, without it costing the taxpayers dollars and without it affecting the rights of the employees under this bill"?

This government has a wonderful opportunity at hand. It has an opportunity to put some of that substance behind those messages and speeches it has been giving. If it decides to vote against this amendment—I would be shocked—it is then going to have to answer the question: "Why did you? What reason did you have to vote against an amendment that did not cost the taxpayers any money, that did not affect the rights of the workers who lost their jobs, that had the objective of sending out a very positive message to business?" They are going to ask, "Why didn't you give us that break?"

That is a question government members are going to have to answer in their ridings if they vote against this amendment. I hope to save them from having to answer that question. They can do so by voting in favour of this amendment.

This amendment not only builds into it a balance that is for the employees, the victims of the recession, but also builds a balance in favour of the small business where it is possible, without any cost to the taxpayers. The Treasurer was here earlier, but I know the Chairman of Management Board of Cabinet is here; he will be happy to hear that it will not cost the taxpayers any dollars and will not, of course, affect and erode the rights of employees, of those people who lost their jobs.

I truly hope this government accepts this amendment, because I believe this amendment is one which we can hold up as part of the bill and say this is a much better bill, because it meets the needs of those who have lost a job, who are owed wages, vacation pay, termination and severance, and it does not foist an expense on to the small business community, those people who create jobs in this

province, who create strength in this province, who create wealth in this province.

It has the effect of meeting the concern that was brought forward by the report of the survey of the Canadian Federation of Independent Business. Small firms have said in the past that they realize it costs more to do business in Ontario, but other benefits of being here had made this differential worth paying. They are now re-evaluating their choice as they perceive themselves as truly unwelcome in the current environment.

1640

By accepting this amendment, we are sending out the message that this survey, as important as it is in terms of the message it gives, has been listened to and that they should not re-evaluate their choice, they should not perceive themselves to be truly unwelcome in the current environment, because this amendment, in terms of small business, has been accepted and is now part of the legislation, that this is now a balanced piece of legislation where you can remain competitive, where we can provide protection to employees—the victims of bankruptcies—but at the same time do it without any extra cost to taxpayers and without any cost to the small business sector.

We have this opportunity before us. It is one I believe we should not fumble and hope we will not. Let us accept this amendment. Let us make this bill more balanced, more sensitive to the concerns of business, while at the same time protecting the rights of those who need access to those funds.

Mrs Witmer: I would like to speak to the amendment that would seriously improve the conditions for small businesses in this province by exempting those with 50 or fewer employees from Bill 70. I would ask the government to give very serious consideration to this amendment. We have talked at length this afternoon about the very important, significant role that small business plays in this province. We have repeated and emphasized that they are the ones that create the jobs in this province and, unfortunately, it is also the small business person who is suffering the most as a result of some of the legislation that is being proposed and from the effects of the recession.

These individuals have asked us to take a serious look at exempting them from this bill. They recognize that they are still liable under the Business Corporations Act, and they are quite willing to fulfil their responsibilities and their duties to their employees. In fact, this amendment will still make it possible for the employees, the individuals we are trying to protect, to access the fund. There is no cost whatsoever to the employees, and they were the purpose for introducing the bill in the first place.

Many people appeared before this committee and many people have written us. They have told us they fear the impact of this bill. They fear they have a great deal to lose. They are very concerned about their ability to get insurance coverage. As I mentioned earlier in my remarks, many of the small business people currently do not have insurance. They are not in a position to pay the additional cost of obtaining insurance, because money they use to do so is going to take money out of the operation and it is

going to mean the loss of some jobs—that is, if they can even get insurance. Unfortunately, the government has never, ever given any assurance to the members of the business community that they are going to be able to find insurance to cover the liabilities and that they are going to be able to obtain it at a fair rate they can afford.

As we know, now that the enforcement mechanism has been enhanced, they will need the insurance. Although the government keeps telling us there is no cost to small business, I would dispute that. There is fear in this province about the impact of Bill 70—

Hon Mr Wildman: You are whipping it up.

Mrs Witmer: It is not fear that we are whipping up, as the Minister of Natural Resources has just indicated. It is fear that has been generated by the men and women in this province who are trying to provide jobs for employees.

That is one of the frustrations I hear repeatedly. People ask me, “Doesn’t the government listen when you tell them we’re concerned about our business, we’re concerned about jobs?” I try to tell them that we do try to make the government aware of it and we do hope it will seriously consider these concerns, that we do seriously hope it will provide a balance in all of the legislation it puts forward. We would hope it would consider not only the employee but also the employer. We hope it would demonstrate it is concerned about jobs for the people in this province and is not going to introduce legislation that is going to lead to further job loss because of companies closing because of conditions in this province that they simply cannot afford.

If we are truly concerned about employees and if we are truly concerned about the creation of new jobs and if we want to make absolutely certain that we do not lose any more, I believe we have to start looking at this legislation and attempting to create a balance. We have to start responding to the concerns of the small, medium-sized and large business community. I certainly support the amendment that has been placed here and encourage the government to consider seriously the jobs in this province and the possible loss of those jobs if this legislation is passed without this type of amendment.

Hon Mr Wildman: I want to clarify something the member for Mississauga North raised in his remarks, in which he indicated that I had said he was right. I want to assure him that I meant that with a capital R.

Ms S. Murdock: I want to respond to the provisions of this amendment, which is to remind everyone that it is directors of corporations who employ fewer than 50 employees, and that is the amendment provision, whereas we are recommending that, regardless of the number of employees, directors of companies are held liable, as they presently are under the Ontario Business Corporations Act. Both members of the opposition have stated that.

The thing is that the liability provisions, as they presently are under the OBCA, are such that it is much more onerous for the employee to have any kind of satisfaction or reimbursement. This provision, in conjunction with the amendments to the Employment Standards Act, will allow the ministry offices to go after the primary person

responsible, which is the employer. Then, if it looks like they are not going to get anything from the employer, the employer has absconded to Mexico or has closed his doors and there is just nothing there, if that determination can be made, they can go after the director.

Under the present OBCA, what happens is you have to exhaust all provisions with the employer first before you can go after the directors. We have stated that the intent of this bill is speed, efficiency, payment to the workers and also, if you can recoup some of your losses or some of the consolidated revenue fund's payments, then you should be able to do that. Also, directors have responsibility and have liabilities for the duties they take on.

I am not going to speak to any of the other comments that have been made, because I am sure that we will be getting to many of the points that the member for Mississauga North raised later in some of the other amendments.

Mr Offer: In reply to the Minister of Natural Resources, his response is not surprising. In terms of the response of the parliamentary assistant, I think the comments of the parliamentary assistant exactly make the case. In this bill and in this amendment we are not trying to say that the directors of small businesses are not liable. We are saying their liability exists under the Ontario Business Corporations Act. That is not going to change. What we are saying is that directors of small business should be exempt from the enforcement mechanism.

1650

The comments made by the parliamentary assistant were, "Under the current legislation it is very difficult to recover against the directors." That is, of course, the case, because employees who are out of a job do not have the resources to carry forward in trying to sue directors. That is now going to be the part of the government. That is why we are saying directors of small businesses should be exempt.

What happens is that a business goes bankrupt, people are owed money and they are able to access the fund. The government then takes action against the directors of a small business. Those directors either do not have anything left or the government gets a judgement. When the government gets a judgement, it can do a number of things. They can register it against property; they can start garnishment proceedings. There is a variety of ways in which a judgement can be enforced.

The Attorney General, who is now here, recognizes those ways. The fact of the matter is that the directors of small business really are not able to forecast what is going to happen in the long-term future as well as the medium and large businesses can. They do not have the personnel to do that. They are in there to create jobs, to create business. That is what they are doing. By not accepting this amendment, the government is sending out a very bad message to the small business community. It is sending out the message that an amendment was possible that would have the effect of keeping the liability without the onerous enforcement, not eroding the principle of the bill, not affecting the rights of the employees and not costing the

taxpayers any dollars, and the government is saying no to that.

The business community is saying, "We don't have a lot of confidence and faith in the government because our concerns are not being listened to, are not being dealt with." Here the government had an opportunity to say, "But we do listen to your concerns." If the government is not going to deal with their concerns in a matter that does not affect taxpayers, in a matter that does not affect the rights of those who have lost their jobs, in a matter that does not affect the legal obligation under the Ontario Business Corporations Act, then when is it going to deal with them? They are never going to.

The concerns of the business community, as found in the survey of the CFIB, are absolutely well founded. The government had the opportunity to cut into some of that concern. They had an opportunity to send out a different sort of message, and they did not do it. It is just absolutely incredible that having that opportunity, when taxpayers are not affected, when the workers are not affected, when legal liability is not affected, they are still unwilling to act. What other result do they think is going to happen except an increased lack of confidence by the business community in this government's ability to deal with the realities of the day, the stress of being competitive?

My goodness gracious, I asked the Minister of Labour a question today in the Legislature: "We are going to be putting forward this amendment and this amendment is going to be there for the small business person. This amendment is not going to erode the principle of the bill, it is not going to affect those people who have lost their jobs and it is not going to affect taxpayers. Will you accept the amendment?" The minister said no.

That no is a message by his government to business generally. It is a no that will reverberate not only today but through each and every one of the government members' constituency offices to anybody who wants to create jobs in their ridings. The government has said no to them and it is something they are going to remember for a long period of time. I would like to know what government members are going to say to their communities, to their local business establishments, to their small business people, to their chambers of commerce, to their boards of trade, when they ask the question, "Why not?"

The First Deputy Chair: Shall the motion carry?

All those in favour will please say "aye."

All those opposed will please say "nay."

In my opinion the nays have it.

Vote deferred.

The First Deputy Chair: Mr Offer moves that subsection 40s(2) of the act, as set out in section 6 of the bill, as reprinted, be struck out and the following substituted:

"(2) Despite subsection (1), the employer is primarily responsible for the employee's wages and proceedings may not be commenced to collect wages from directors under this part until proceedings against the employer under this act are exhausted."

Mr Offer: I have a few comments on this particular aspect of the bill. Previously we had been discussing some

areas of the bill dealing with the monetary amount of the liability and, for us on this side, how changes to that amount should only be made through legislation as opposed to regulation. We have also spoken about giving a break to small business, and those types of amendments, as we have noted, have been defeated by the government members.

This is more of a technical nature. Under this particular piece of legislation there is no obligation on the part of the employment standards branch, those people who are responsible for the enforcement of this legislation, to take all steps under the Employment Standards Act against the employers. Basically, if there is a claim made by an employee, they can, after validating the claim, immediately go against the director. They do not have to go against the employer of the company. They do not have to take any action under their own act, the Employment Standards Act.

1700

I thought maybe the amendment should read that the employer is primarily responsible and that proceedings may not be commenced until all proceedings have been exhausted. I thought it might be a bit too onerous for the officers under the employment standards branch to take all actions against an employer, because that would be even wider than the Employment Standards Act. They would have to take the actions they can take under the Employment Standards Act together with all their civil remedies. They would have to get a judgement. They would have to make certain the sheriff tried to serve that judgement. In that respect it might widen out the process and make it unduly long. There may be a substantial delay before any dollars are recouped.

I thought I would try to balance that type of amendment, so I cut it down by saying that under this legislation the branch officers must at least take all action against employers under the Employment Standards Act; they must at least get an order against an employer under their own act. I believe that to be essential before going against the director, because we know what is going to happen. The members on that side know what is going to happen. We can all read between the lines on this bill.

Notwithstanding the greatest and loftiest intentions now, when there is a claim made to the employment standards branch those officers are going to take the quickest route, in accordance with the wishes of the government. That route is going to be: "Who are the directors? Who is the director with the deepest pocket? Who is the director I can get the easiest? I'm not even going to try to get the employer. I'm not even going to use any effort to seek out whether an employer is there and whether he has funds that can be used to recover some of the moneys that have been laid out."

We know that is going to happen. In fairness to directors—some of the members may have been directors of corporations. If they were directors of companies that had difficulty, would they not like to know that before this legislation kicked in to their personal liability, every effort under the Employment Standards Act would be taken against the employer? It sounds right, sounds fair.

This amendment puts in legislative form what the stated intention has been of the minister, of the parliamentary assistant and, I expect, of ministry officials. The intention is not good enough. If it is the government's intention not to take action against directors until it has exhausted remedies against employers, it has the obligation to put that in the legislation. That is where people are going to look and that is where people get their direction. If the government's intention is in word only, then when a company gets into difficulty, officers in the employment standards branch are going to look at the director who is easiest to attach to.

I hearken back to the CFIB research survey, because when we started this discussion we did not have this survey. I am certain even members on the government side will admit to having business people, people who are working, come into their constituency offices and say, "I have some concerns about some of the things you're doing."

There are people coming into my constituency office talking about the problems they had working with the government. They were talking about the concerns they had, the fear that the job they have today might not be there tomorrow, that the government was really cutting down on some of their options and that maybe it was not the greatest place any more to open up a business. They were really concerned about the direction the government was taking.

We have an opportunity here to put in legislative form some of the intentions stated by the ministry.

Hon Mr Hampton: Steve, you should be over here.

Mr Offer: I heard the Attorney General make some comment about where I am standing in this Legislature and where he perceives I should be standing. A lot of the concerns voiced, not only by myself and my caucus, I am sure he has heard in his constituency office. I would be absolutely surprised if the Attorney General stood in this House, as he will have the opportunity to do when I finish my remarks, and said no one ever came into his constituency office in Rainy River in the depths of this recession to say he had some concerns. We will wait and hear if that is the case. If that is the case, his constituency office stands separate from all others.

That is not a partisan comment on my part. This is the worst recession since the 1930s: 300,000 jobs have been lost and jobs have disappeared; more than 50% of all the jobs lost in this province in the past year have disappeared.

All our constituencies felt the ravages of this recession, though some of the early returns coming in are that we seem to have bottomed out. There are still a lot of people saying: "The recession may be over for some people, but it isn't over for me. I'm still without a job. My company hasn't opened up. My company hasn't recalled. My company has closed up. My company has moved out."

We have to be very cognizant of those particular realities of the day, and I say that not in a partisan fashion. I think every one of our constituencies suffered greatly in this recession. People were badly hurt by this recession. Their way of life was changed dramatically. People who held a job all their lives were out of work for the first time.

There was no need for some of the skills they had acquired over many years. There was nothing to be found. Those are some of the challenges for us.

With this amendment we are talking about putting into legislation the intentions of the ministry. Is it the intention of this legislation? Will the workings of this legislation be such that all remedies against an employer under the Employment Standards Act will be exhausted before directors of a particular company are potentially found liable, or will it be something else?

If it is going to be something else they should say so. They should not say, "This is our intent but the legislation won't reflect it." If they are going to say it and mean it, then they should do it by this amendment.

1710

The First Deputy Chair: Are the members ready for the question? Shall the motion carry?

All those in favour will please say "aye."

All those opposed will please say "nay."

In my opinion the nays have it.

Vote deferred.

The First Deputy Chair: We shall move on to the next motion, which is also brought forward by Mr Offer.

Mr Offer: I was very concerned over that last amendment failing, because I think it just sends out the absolutely wrong signal. But I know I will have to—

The First Deputy Chair: Please move on with the business and on to the next motion.

Mr Offer moves that section 40s of the act, as set out in section 6 of the bill, as reprinted, be amended by adding the following subsection:

"(10) Despite subsection (1), no director is liable under this part if the director exercised reasonable diligence in carrying out his or her duties as a director."

Mr Offer: I have a few comments on this particular amendment because in many ways we have an opportunity of charting some new ground here. One of the submissions made by the Canadian Bar Association in the hearings spoke to this issue. They put forward in one area of their brief that the time is now right that directors, not only in this legislation but I think they even went so far as to say under the Ontario Business Corporations Act, should be able to absolve themselves of personal liability if they have taken certain action in a certain way and under certain circumstances.

If I might, I would like to allude to their particular brief, because they indicated that this, though new in this legislation, is not a new idea:

"The liability of directors under the Income Tax Act is limited in two ways. First, Revenue Canada imposes statutory trusts and 'superpriority' provisions to ensure that there is the greatest likelihood that there will be assets available to meet its demand. Second, it is a defence to a claim by Revenue Canada that the director acted reasonably in the circumstances."

I will repeat that. "Second, it is a defence to a claim by Revenue Canada that the director acted reasonably in the circumstances. Actions brought by Revenue Canada have been dismissed when it is proved that the director took

reasonable steps to ensure that Revenue Canada was paid." That is "reasonable steps to ensure."

It is pointed out that: "The government, in Bill 84...establishing liability on directors...under the Tobacco Tax Act, provided in subsection 20a(3) that it was a defence to a claim by the Minister of Revenue that the director had acted with reasonable care in the circumstances." I am going to repeat that because even the current government, under the Tobacco Tax Act now before the Legislature, provides a provision that it is a defence to a claim by the provincial Minister of Revenue that a "director had acted with reasonable care in the circumstances." The point made by the Canadian Bar Association is that it sees no reason that a similar defence could not be available under Bill 70 to those exposed to the risk of liability under it.

Think of what that means. It means that in terms of the business community, when a company is experiencing difficulty and there is now a personal liability under Bill 70, the directors of that company recognize that the efforts they make in trying to save the company through a whole variety of ways—I think some of us know some of those ways, and certainly some of the people who are watching the legislative channel, through their businesses, know of ways they take in, for want of a better word, trying to save their company. They are trying to do everything it takes to save their company, and there are a whole variety of ways in which they can do that. They can try to sell part of the company; they can enter into a whole variety of other types of arrangements, all very valid, all designed to save the company and which will have, as a direct result, the saving of jobs. This bill does not put any importance on that as far as a director is concerned. This bill says that no matter what the action of the director was, no matter what the director did to try to save his or her company, no matter what the director did to try to ensure that the jobs would be there, if the director fails, that director is personally liable to the full extent and the strongest arm of the employment standards branch under the Ministry of Labour.

We now know, because the previous amendment failed, that those directors are going to be liable and the branch does not even have to go after the employer. Those who are in this Legislature today, as Hansard will record, and certainly those people who are watching this on the parliamentary station will recognize that after the points I made in terms of the intent of the legislation—being that action should be taken against an employer, that it was possible to put that intent in legislative form—no one but the parliamentary assistant and no one on the government side had any comment on that. That remains in Hansard in terms of its silence.

The message is clear. The legislation is such that if a company goes bankrupt, the employment standards branch and those officers do not have to, and will not go against the employer. They will look to who the director is, who is easiest to attach, and who has the deepest pockets. That is what this legislation has now become because of the fact that the previous amendment was not accepted.

1720

We have that aspect. We also have once more the aspect of the Canadian Federation of Independent Business's

recent survey, which talked about the very fundamental lack and loss of confidence that business clearly has in this government. During this afternoon, and even in previous days, we have tried to build a balance into the legislation, through amendments, that will not detract from the rights of the workers, that will not take away their rights that are contained under this bill and under the Employment Standards Act, but will provide a balance to the business community so that the cost of this legislation will not be borne, I feel, in an unfair way by the small business community. We could do that without any cost to the taxpayers of this province. That opportunity apparently has also been lost through the government's stated intent to vote against that amendment.

Now we come to this amendment. What do we have in this amendment? What we are doing is saying that a director of a company that goes bankrupt—I know the bill is not limited to bankruptcies, but I will use that—is not a bad person, is not a bad director. For a variety of reasons, many of which are really outside the control of the people, the company has run into bad times which have resulted in its going bankrupt. This amendment says to those people, who worked hard to create the business, to maybe even have that business expanded, probably put in 30 hours a day when that business was having difficulties, that the cost in terms of worry and stress, which cannot be—

Interjections.

The First Deputy Chair: Order, please. I am having difficulty following the speaker due to the number of private conversations taking place in the House. I would appreciate the contribution of all members to this debate. The member may continue.

Mr Offer: It cannot be quantified. The effort that person is going to make in terms of trying to save the business, trying to save the jobs, trying to use all the things he has learned in all the ways he can, is not going to be recognized. This bill will not recognize the efforts of those directors.

Directors do not want their businesses to go bankrupt. They want their businesses to succeed and to succeed again. When those businesses start to have some difficulties, they will take action. They will do what is necessary to keep their businesses in existence. I believe this amendment is important in terms of sending out a message that this bill recognizes that when a business goes bankrupt it is not because of some wish of a director, that when a company goes bankrupt a director puts in and has put in a great deal of time and effort to make the business a success and is also putting in maybe even greater time and effort to try to save that business.

I could see, through the acceptance of this amendment, a whole case load of decision-making being developed that really would come to grips with what is necessary for a director to do in order not to be found personally liable under the enforcement mechanism of this bill. I think that would be a very strong and positive result of the bill.

This amendment would not erode or detract from any of the rights of the people who lose jobs. They would be able to receive dollars from the fund just as well as before.

Because we are dealing with this bill, their liability under the Ontario Business Corporations Act would not be affected. What would be affected would be the enforcement mechanism: the long, strong arm of the employment standards branch officers reaching out to the director who is closest to them, reaching over the employer because they do not have to go after the employer, picking out that director because they do not have to go against all of the directors. They get to pick and choose and do whatever is necessary to recoup those dollars, even if it means a judgement against a director, even if it means future garnishment proceedings against directors who are trying to look for jobs. That is what this bill will potentially become.

This amendment, again, does not cost the taxpayers any dollars. It does not affect liability. It does not affect the employees, those people who lost the jobs. It does not affect the principle of the legislation. That remains intact. What it does is say to the survey by the CFIB: "The concerns expressed in your report by your member corporations"—once more, remember we are talking about thousands of corporations representing hundreds of thousands of jobs—"we have listened to that. In fact, we're prepared to do something about that. We're prepared to send out a message to the business community that you can create jobs, expand your businesses, do what is necessary to create wealth and remain competitive in this province. If things go bad for a whole variety of reasons, most of which are out of the control of those running the company, then your efforts to try to save the company, to try to save those jobs, will be reflected in this legislation."

We are saying, give the directors an opportunity. This is an issue of fairness. If one creates a piece of legislation which says, "We are going to sue you if your company goes bankrupt," at least give an opportunity to those to whom you have said that to have a defence, to have an argument to be made, that this argument and defence are something the government is ready to listen to through legislation.

Where should legislation be introduced and passed which creates a penalty, a personal liability on someone without that same person being able to argue: "But I did everything I could do. I took these actions. I tried to save this company. I tried to save these jobs"? This bill does not do it. The Income Tax Act of Canada does it. This government's Tobacco Tax Act does it. Their own legislation which is before this House provides that opportunity for someone to say, "I've taken reasonable action."

Why cannot this bill do that? Why is it so difficult for the government to say it is absolutely ready to make this bill a better bill, a more balanced bill, a bill which will not only meet the concerns of those who lost their jobs but will also provide an opportunity for those to argue that they have taken the action; that the government is ready, willing to listen and act in terms of substantive change to this legislation, and that the directors of companies will not be found liable if they have taken reasonable action.

I sometimes get a certain sense that the parliamentary assistant is telling her members, "Don't speak on this bill." I have been watching very closely. Would we on this side not find it incredibly surprising that with a bill of this

importance, a bill that affects everybody in this province, in all ridings, the parliamentary assistant is saying to members of the government, "Don't speak; let's get this bill through"?

1730

The First Deputy Chair: Order, please. I am going to ask for the members' co-operation. Would the honourable members please co-operate by reducing the level of private conversation? I am having difficulty following the member's comments. I think we all have a responsibility in this House to listen.

Mr Offer: As I was saying, I have this suspicion that—

Hon Mr Hampton: You are repeating yourself.

Mr Offer: I want to make a point. The Attorney General says I am repetitive. By repeating the Attorney General's remarks, maybe that makes the case. I have a concern that on a bill of such importance, which affects all our ridings, which affects everything about the future growth of our ridings generally, members of the government side want to say something but the parliamentary assistant is saying, "Listen, let's be quiet now, let's just be quiet."

Interjection.

Mr Offer: The member for Mississauga West says "Muzzle them," which might be exactly the case. They say: "Listen, let's not speak our minds on this bill. We have absolutely no comment to make on a bill which is changed by regulation as opposed to legislation. We have no comment to make on our rights, obligations and responsibility as MPPs to debate these things. We have no comment on giving small business in this province a break in this legislation. We have absolutely no comment to make on whether directors should have a right to state they've made some reasonable effort to try to save the company."

Members of the government side are saying "No comment" to that. I hope their statements about business will be reflected, if they have no comment to make, in their approval of this amendment.

Ms S. Murdock: I want to assure the member for Mississauga North that the reason I did not respond to the last amendment the official opposition put forward was because I had responded to it in the amendment before, and I did not want to waste everybody's time listening to me repeat myself. However, I will repeat it for the benefit of the member for Mississauga North.

Exhausting avenues against the employer and then going after the directors, in our view, means there would be some instances where it would be obvious that the employer is nowhere around to go after but where we would have to proceed through all kinds of court procedures in order to close off and exhaust all of those avenues before proceeding against the directors. As has happened all too frequently in this province lately, some companies have left the province entirely. There is no one to go after except the directors. The liability, as I said, is not any different from that presently under the OBCA.

As well, in this amendment to section 6 on the "due diligence" argument, there is no due diligence in OBCA. It is exactly the same as the Ontario Business Corporations Act. Corporate law in this province does not excuse directors from liability for having done their work with reasonable diligence. We are not in favour of this amendment.

We are trying to get this bill passed; that is right. There is no question we are trying to get it through. The arguments have been stated very clearly. Repetition is not going to solve anything here in terms of getting this bill through.

Mr Offer: I find the comments of the parliamentary assistant quite surprising when she speaks to the issue of repetition. The parliamentary assistant should be aware that we are in committee of the whole. We have every right to bring forward these amendments. After a great deal of thought, we very much believe these amendments are balanced and not only meet the needs of those people who are the victims of the recession but indeed send out a more positive and progressive message to the business community.

I believe this type of debate is very important. I believe it is this type of debate we were elected to do. This is not repetition. The parliamentary assistant should not think it is.

Interjection.

Mr Offer: The Minister of Health made some comment. I was not able to catch it, but I hope when she takes her seat she will be able to clarify what she said.

We are in committee of the whole right now and one of the things we want to do is talk about some of the things we think are important, some of the things we think can make this a better bill. We have some concerns about the bill. We want to make certain the bill meets the principle and meets as well some of the concerns that have been raised through the public hearings.

May I remind the parliamentary assistant that the public hearings on this bill were greatly restricted and that the members of the government side voted against travelling. They voted against listening to people, not just the business community but indeed the people outside of the Toronto area. That is something we have to continue to keep in mind. It must be borne in mind that some of the areas of concern we are talking about are those we heard—and the presentations were well made—from the greater Toronto area. There were an awful lot of people who wanted to provide some comments on the bill, probably both for and against. That would have been quite helpful. It is unfortunate the members of the government saw it as unnecessary to listen to those concerns or points of approval. They found it necessary to vote against our committee travelling. It is something this bill will have to carry with it, no matter how it ends up.

The First Deputy Chair: Are the members ready for the question?

All those in favour will please say "aye."

All those opposed will please say "nay."

In my opinion the nays have it.

Vote deferred.

1740

The First Deputy Chair: We will proceed to the next motion. Before we deal with this motion, can we have support for sections 7 through 15. Will this carry? Okay, this section will also be stacked.

Ms S. Murdock: Mr Chair, is clause 65(1)(rb) stacked now? Is that what I heard you say? Which amendment is stacked?

The First Deputy Chair: The amendment we just dealt with has been stacked. I asked for support for sections 7 through 15. Shall this carry or shall it be stacked?

Vote deferred.

Section/article 16:

The First Deputy Chair: We will move on then to the motion introduced by the member for Mississauga North.

Mr Offer moves that clause 65(1)(rb) of the act, as set out in section 16 of the bill, as reprinted, be struck out.

Mr Offer: I have some comments on this. I think those of us who were on the committee and those of us who have been watching this debate recognize that if there was one common concern, it is found in this amendment. In passing, I will note that the member for Waterloo North has also moved the same amendment. It is, I believe, word for word the same amendment. The reason for that is that if there was a single common concern, it was this.

Let's be clear: This amendment states that any changes must be made by legislation as opposed to regulation. That is talking about changes to, "(rb) prescribing other payments that are wages for purposes of" subsection 40b(2). What this means is that the changes to the wages can be made by regulation and not legislation.

This really strikes at the heart and soul not only of this legislation but what it is we do here. We have really spoken about this on other amendments earlier on. We are talking about what it is we do. Are we ready to say to those who have concerns about the legislation that if there is to be any change, it will take place in this chamber?

The Minister of Labour himself recognized and was not afraid to bring in the dollar figure in terms of legislation. He was not afraid that those particular areas of the legislation should be debated. He wanted the bill, even if it was shortened, to go out to committee hearings. Why can we not carry that on? That is what this amendment does.

There are those who will say the bill should be changed; there are those who will be opposed to any change. Whatever their positions will be, do we not believe in this chamber that it is our duty, that it is why we were elected, to take their concerns, to take their opinions through debate, to take any potential change out to committee, to use the committee in the way in which it was designed to be used, to take a matter of change out to the general public, to listen to their concerns as to what the impact of any change might be, what the impact might be in terms of business, the cost of doing business, job creation, the creation of wealth, strengthening the economy of this province, embracing an aspect of competitiveness? Are they not some of the things that we think we were elected to do, to seek out people's opinions on change?

If the members vote against this amendment, they are saying that change is done by regulation. When it is done by regulation, it is done without input. They have no knowledge what the impact of change will be. They do not know what it is going to mean in their constituencies. They just do not know what it is going to mean in the cities, in the municipalities they now represent, in the areas in which they live. They do not know what it means in terms of cutting down options for future job growth.

By moving this to legislation, what they are doing is saying: "I realize I don't know that, but by moving it to legislation I want to find that out. I want to know what it means. I want to know what it means to the province before I vote yes or no on any change, what it means to my constituency, what it means to the future of our economic strength." Those are some of the things we were elected to do. We should not be afraid of doing that. We should be asking for more. We should be asking for more things to be debated here.

Through regulation, they will read of those changes. They will read press clippings about those changes, their own ministry reports and media reports as to changes announced. They will have no input as to those changes. They will have no say as to whether those changes benefit their community or benefit their constituency. They will have no answer to constituents who come into their offices and say, "I'd like to give you my opinion as to whether this change is necessary or not." They will have no answer because the change will have already occurred and they will be defending the change already made. But even more so, in this political climate they will be defending why it was made without their constituents, whoever wanted to, having an opportunity to have some input into the process, being more a part of the process.

We are going to have to answer that question. We are going to have to answer the question why, by not accepting this amendment, they are saying they are not ready to listen, are not ready to use this chamber, are not ready to use their constituency office, their Queen's Park office or committee rooms in the way they were designed.

We are talking about changes to the very essence of this legislation. We are not talking about technical changes—its to ands, and ors to buts, and may to shalls, all of which are very important—but this talks to the real heart of the legislation.

What do the members say to themselves when they do not support this amendment in terms of their being able to defend this, if they cannot even defend this type of amendment which is the heart and soul of the legislation? People may be for this bill, they may be against this bill. They may have major concerns, they may have minor concerns. But whatever they be, major or minor, for or against, members will have to recognize their obligation and responsibility to defend in this chamber and to vote accordingly.

1750

When they do things by regulation, they do not have to do that. The members really do not have to defend, they do not have to have an opinion, and they have no obligation to talk and raise some of the concerns of their constituents. I

am not talking just of the business community, because this bill is not just limited to the business community. There will be those who will say that maybe the bill does not go far enough, just as there are those who will say the bill goes too far. The fact is, future change to the essence of this bill will be done at the cabinet table.

It will move from the minister's boardroom table to the cabinet table, to the media room, to press releases, to the government members' constituency offices, and the members will read them four or five days after they have happened. They might be content to do that, but we are talking about the ability of the constituents to have input, the ability of our province to continue to compete, the message we send out to our business community.

We have an opportunity here, as we move to some of the final sections. I know we have stood down the first four sections. We have here almost the final opportunity to grab hold of some of the concerns raised by the Canadian Federation of Independent Business in its research report. They are concerns not only on their part, but which we hear each and every day in our Queen's Park or constituency offices, every time we pick up the telephone with our constituents, concerns about how they are going to be able to live their lives and concerns about whether their kids are going to have the options they had as kids. There are fundamental concerns that those options are not going to be there.

One of the ways we can do that is by making certain, wherever possible, that changes to the heart and soul of legislation are debated in this Legislature, that in fact there is the opportunity to discuss those changes through committees in each community in this province, that we can invite people in.

If members vote against this amendment, they close their constituency doors, close their Queen's Park doors, lock the door to this chamber and shut down the committee rooms. They say no to anybody who has a concern and, yes, that the survey report of the CFIB is right. The members say yes to the concerns of business, "Yes, you're right to leave this province." They say yes to those people who are losing confidence in this province and say no to greater options for people.

In my opinion, there should be no hesitation by members of the government side to say they are ready to have the opportunity to listen to people. Whether they meet with their concerns or not, that is the government's right, responsibility or obligation. That is what this will do. This amendment at least provides the opportunity for future debate. By voting against this amendment, they vote against future debate of this bill. They turn the key on this bill, lock it up, shut it up and say, "I don't care about your concerns."

I do not think the people of this province want that. I think they recognize that they do not agree all the time with what government does, that there is room for disagreement, but what they want is the opportunity to be part of the process. This amendment makes that happen. It makes our rules of procedure kick in. It allows them to have a part in debate. It allows them to share with all of us their concerns about any future change to the bill.

I hope members of the government would not be afraid, would not be reticent to listen to people's concerns and would be ready to back that up in substance as opposed to speeches. By voting in favour of this amendment, this is their opportunity.

Mrs Witmer: As has been indicated, the Conservative caucus supports and had the same motion, the same amendment. Of course, the intent of this amendment is to remove the ability for the government to make changes by regulation, because we feel it is imperative that all future changes to Bill 70 legislation should be made by amendments to the act after a full and complete debate in which the public is allowed to participate.

We believe that if any changes are made to increase the program ceiling of the wage protection fund beyond the \$5,000 cap as proposed, or if additional components are going to be added to the compensation package, then this government needs to make sure it consults with all of the taxpayers in the province.

I feel that as members of provincial Parliament we have a responsibility to discuss all financial issues with our constituents. I believe we need to remain accountable to our taxpayers and our constituents, and in order for that to happen we need to make sure that a full public debate does take place. We also need to allow for public scrutiny into any program spending increases that are made in this House. Although this government might agree that an increase to the ceiling should be made or that additional components should be added, we need to give the public the opportunity to share information with us as to why that should or should not happen.

This government has talked about consultation, it has talked about co-operation, and certainly if it allows the changes to be made by amendment, there will be an opportunity for full and complete consultation. I would remind the government as well that every employer group that appeared before us this summer indicated that it believed very strongly that any changes that are going to be made should be made only after a complete and full public debate. They are very opposed and very concerned about the ability to make changes by regulation. I guess some of that fear was created by the move before Christmas which allowed the government to create French school boards by regulation.

The First Deputy Chair: Order. Will the member take her seat.

On motion by Mrs Coppen, the committee of the whole reported progress.

À la suite d'une motion présentée par M^{me} Coppen, l'étude du projet de loi en comité plénier de la Chambre est ajournée.

The Speaker: Pursuant to standing order 33, the question that this House do now adjourn is deemed to have been made.

1800

SABRINA PANETTA

The Speaker: The member for Brampton North has given notice of dissatisfaction with the answer to

a question given yesterday by the Minister of Community and Social Services. The member for Brampton North has up to five minutes to debate the matter, and the minister may reply for up to five minutes.

Mr McClelland: I sincerely say that I regret we are here this evening on this matter. It was my hope that we could come to, I do not want to use the word "accommodation," but I was hoping the minister would find some possible way to accommodate not the request that I put forward but indeed the one the family of this dying child and the child herself have indicated. In the method she is able to communicate with her family and with her physician, it is her wish.

Over the course of the debate and exchange in question period both last Tuesday and yesterday, a number of issues have been brought forward. I have put forward as well as I am able the plea on behalf of the little girl and the family that an order in council be granted by the Minister of Community and Social Services that would provide the financial means necessary for this little girl to receive nursing attention at home, so that she could die where she and her family would like her to be.

I might add that as of literally within the past hour, the physician has indicated he feels there is infection with respect to this little girl's lungs, that her lungs may collapse and she may not live very much longer.

That raises an issue that has been brought forward in rebuttal by the honourable minister. She has said she is concerned about the wellbeing of the child and this is the principal reason that she is not able to grant the order in council.

It is simply stated by myself that we recognize the child's wellbeing is in jeopardy. In fact she is dying. It seems to me the wellbeing of this girl is not in question. The question is what is best for her under the circumstances that are before her and her family.

The doctor has said: "She belongs at home, not at York Finch Hospital, where she has been for the past five months, and not in an institution. She has been receiving fine care at York Finch, the nurses are terrific, but she is a terminally ill child and could die any day."

He also went on to say, and I quoted this in Hansard earlier, that he believes—and after caring for her over the course of seven years, he is perhaps as able as anybody else; he is a specialist and has cared for her—he has made, in his view, a professional judgement that not only the quality of her life but indeed perhaps the longevity of her life, the length of it, may be extended if she were afforded the opportunity to die at home. It is his belief that a substantial contribution to her wellbeing has been the love and affection and the atmosphere of nurture that she has received in and around her family.

I want to draw the minister's attention to some things that I would ask her to comment on in her response, that on their face to me, quite frankly, are hard to reconcile. Following question period yesterday, the press spoke with both the minister and myself, and I will, I am sure, hear her response with respect to the fact that she said this is not a financial concern. She then went on to say, "It is not a financial concern, but there are 30 other children out there

who are in similar circumstances." I ask the minister to reconcile that apparent contradiction on its face.

The issue in terms of her wellbeing, I think, has been addressed by the physician; not by myself, not by the minister, but by the physician. Ultimately he, together with the family I believe, is the one able to make that decision. I say this in light of the background of advocacy legislation, the position the government has taken throughout so many years of standing up for people's rights to make choices for themselves. I say that in response to a government whose Premier said, when he was sworn in on October 1 a year ago, "I have always fought for the little guy, and now that I am Premier, I am not going to stop doing that."

I would ask people in this province, those who might be watching, that if nothing else, they would consider appealing to the Premier of this province, calling his office and indicating their concern, because I do not know what else to do at this point.

The minister has also indicated her concern with respect to what might happen to this child. I would invite the minister, if she can find some way, to allow the child's parents together with the physician to assume that risk. They are prepared to do that. They want to do that.

The minister indicated in her response that she has not spoken with the parents. I am sure her staff have, because she indicated also in her response that many hours had been invested in this case. I would invite the minister, in fact I would implore her, to please talk to the people involved directly to find some resolution within her mind about the apparent roadblocks that stand in her way.

I ask the minister to consider those factors. It is not a great deal to ask. The wish of Mrs Panetta is: "My daughter is dying. I would like her to spend her last days at home." I am asking the minister again if she will do all within her power to accommodate that request—her request, not mine—of the child and the family.

Hon Ms Akande: I come reluctantly to this House to speak on this matter. It is a serious matter and it is not my feeling that this is an appropriate place for it to be discussed. We are discussing a child. We are discussing a child who is dying. We are discussing our services to that child.

Let me say, first of all, that this ministry, this government, has never said no to the family. It has been our intention, our direction, our work, our focus to find a way to support the family and the child in the home. I feel the demonstration of our support started long ago when we supported the family and the child with services right in the home.

I am not at liberty to speak specifically about anything we have in place for that family, because the legal department tells me we have not been given that permission. I feel, as probably they feel, that to do so would make their hurt public, and since I have not been given that permission, I cannot do that. Let me say that the primary concern of this ministry and this government has always been and continues to be that the child not be put at greater risk at home than in the hospital. Our focus has always been to support life, not to anticipate death.

Currently there is no program in the Ministry of Community and Social Services nor in the Ministry of Health

that provides 24-hour registered nursing care. There is no such program. The Ministry of Community and Social Services does provide special services at home, and that is to support families so that their child can be at home, but it is not a registered nurse. They do provide a handicapped children's benefit, a certain sum during the month. They do provide respite care from community agencies to support families. But none of these programs are designed to provide parallel services to a health care facility; none of them.

In order to respond to the needs of any child, it is necessary for us to bring together a variety of resources, and we have done so and we continue to try to do so. All of these resources are used in a way that says to us we have supported the child in the family in a way that the child is not at greater risk because the child is in the home. The co-ordination of these programs is difficult and costly, but cost is not our primary concern. To have a registered nurse 24 hours a day in the home costs \$660 a day; in the hospital it costs \$382. To have a registered nurse for a week in the home costs \$4,620 and it costs \$2,674 in the hospital.

But I say again that finance is not our primary concern. I mention the cost only because our opposition has pointed out to us, and I recognize it, that there are limited resources

to meet the needs of many children who are in similar circumstances. We strive and we struggle to meet those needs, to support all those families and to support all those children who have very similar needs. It is difficult.

If the child's condition is unstable, we may have to back it up with hospital care, which may mean and often means the child has to be transported back and forth to the hospital in periods of instability. This might put the child at greater risk.

I was touched by and I am concerned about the fact that the member mentions he held the child in his arms. I recall that I have held dying children in my arms. I know that it is no happy, pleasant sight; it is no wonderful feeling. Your heart goes out to them, your mind goes out to them and you try to figure out what you can do. But when the member held the child in his hands, did he ask if the child would be at greater risk if she were in the home? If he did, then he should remember that is what we are asking. I do.

The Speaker: The time has expired. There being no further matter to debate, I deem the motion to adjourn to be carried.

The House adjourned at 1811.

**LEGISLATIVE ASSEMBLY OF ONTARIO
ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO**

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Allen, Hon/L'hon Richard (Hamilton West/-Ouest ND) Minister of Colleges and Universities, Minister of Skills Development/Ministre des Collèges et Universités, ministre de la Formation professionnelle

Arnott, Ted (Wellington PC)

Beer, Charles (York North/-Nord L)

Bisson, Gilles (Cochrane South/-Sud ND) PA to Minister of Northern Development and Mines, PA to minister responsible for francophone affairs, Vice-Chair, select committee on Ontario in Confederation/Ap du ministre du Développement du Nord et des Mines, ap du ministre délégué aux Affaires francophones, vice-président du Comité spécial sur le rôle de l'Ontario au sein de la Confédération

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Brown, Michael A. (Algoma-Manitoulin L) Vice-Chair, standing committee on general government/ Vice-Président du Comité permanent des affaires gouvernementales

Buchanan, Hon/L'hon Elmer (Hastings-Peterborough ND) Minister of Agriculture and Food/Ministre de l'Agriculture et de l'Alimentation

Callahan, Robert V. (Brampton South/-Sud L) Chair, standing committee on public accounts/Président du Comité permanent des comptes publics

Caplan, Elinor (Oriele L) Chair, standing committee on social development/Présidente du Comité permanent des affaires sociales

Carr, Gary (Oakville South/-Sud PC)

Carter, Jenny (Peterborough ND) PA to Minister of Citizenship, responsible for human rights, disability issues, seniors' issues and race relations/Ap de la ministre des Affaires civiques, déléguée aux Droits de la personne, aux Affaires des personnes handicapées, aux Affaires des personnes âgées et aux Relations interraciales

Charlton, Hon/L'hon Brian (Hamilton Mountain ND) Minister of Financial Institutions/Ministre des Institutions financières

Chiarelli, Robert (Ottawa West/-Ouest L)

Christopherson, David (Hamilton Centre/-Centre ND) PA to Treasurer of Ontario and Minister of Economics/Ap du Trésorier de l'Ontario et du ministre de l'Économie

Churley, Hon/L'hon Marilyn (Riverdale ND) Minister of Consumer and Commercial Relations/Ministre de la Consommation et du Commerce

Cleary, John C. (Cornwall L)

Conway, Sean G. (Renfrew North/-Nord L)

Cooke, Hon/L'hon David (Windsor-Riverside ND) Minister of Municipal Affairs, government House leader/Ministre des Affaires municipales, chef parlementaire du gouvernement

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Cordiano, Joseph (Lawrence L) Vice-Chair, standing committee on social development/Vice-Président du Comité permanent des affaires sociales

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Cunningham, Dianne (London North/-Nord PC) Progressive Conservative chief whip/Whip en chef du Parti progressiste-conservateur

Curling, Alvin (Scarborough North/-Nord L) opposition deputy whip/whip adjoint de l'opposition

Dadamo, George (Windsor-Sandwich ND) PA to Minister of Transportation/Ap du ministre des Transports

Daigeler, Hans (Nepean L)

Drainville, Dennis (Victoria-Haliburton ND) PA to Minister of Municipal Affairs; Chair, select committee on Ontario in Confederation/Ap du ministre des Affaires municipales, président du Comité spécial sur le rôle de l'Ontario au sein de la Confédération

Duignan, Noel (Halton North/-Nord ND) Chair, standing committee on the Legislative Assembly; Co-Chair, special committee on the parliamentary precinct/Président du Comité permanent de l'Assemblée législative, coprésident du Comité extraordinaire de l'enceinte parlementaire

Elston, Murray J. (Bruce L) Leader of the Official Opposition/Chef de l'opposition officielle

Eves, Ernie (Parry Sound PC) Progressive Conservative House leader/Chef parlementaire du Parti progressiste-conservateur

Farnan, Mike (Cambridge ND) First Deputy Chair of the Committee of the Whole House/Premier vice-président du Comité plénier de l'Assemblée législative

Fawcett, Joan M. (Northumberland L)

Ferguson, Hon/L'hon Will (Kitchener ND) Minister of Energy/Ministre de l'Énergie

Fletcher, Derek (Guelph ND) PA to Minister of Consumer and Commercial Relations/Ap du ministre de la Consommation et du Commerce

Frankford, Robert (Scarborough East/-Est ND)

Gigantes, Hon/L'hon Evelyn (Ottawa Centre/-Centre ND) Minister of Housing/Ministre du Logement
Grandmaître, Bernard C. (Ottawa East/-Est L)

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- Hampton, Hon/L'hon Howard** (Rainy River ND) Attorney General/Procureur général
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- Harris, Michael** (Nipissing PC) leader of the Progressive Conservative Party/Chef du Parti progressiste-conservateur
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- Mammoliti, George** (Yorkview ND) PA to minister responsible for the provincial anti-drug strategy/Ap de la ministre déléguée à la Stratégie antidrogue provinciale
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- Perruzza, Anthony** (Downsview ND) PA to Minister for Skills Development/Ap du ministre de la Formation professionnelle

Philip, Hon/L'hon Ed (Etobicoke-Rexdale ND) Minister of Industry, Trade and Technology/Ministre de l'Industrie, du Commerce et de la Technologie

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Stockwell, Chris (Etobicoke West/-Ouest PC)

Sullivan, Barbara (Halton Centre/-Centre L)

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Turnbull, David (York Mills PC)

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White, Drummond (Durham Centre/-Centre ND)

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Wilson, Hon/L'hon Fred (Frontenac-Addington ND) Minister of Government Services/Ministre des Services gouvernementaux

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Winninger, David (London South/-Sud ND) PA to Attorney General, PA to minister responsible for native affairs/Ap du Procureur général, ap du ministre délégué aux Affaires autochtones

Wiseman, Jim (Durham West/Durham-Ouest ND) PA to Minister of Correctional Services/Ap du ministre des Services correctionnels

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Wood, Len (Cochrane North/-Nord ND) PA to Minister of Natural Resources/Ap du ministre des Ressources naturelles

Ziemba, Hon/L'hon Elaine (High Park-Swansea ND) Minister of Citizenship, minister responsible for human rights, disability issues, seniors' issues and race relations/Ministre des Affaires civiques, déléguée aux Droits de la personne, aux Affaires des personnes handicapées, aux Affaires des personnes âgées et aux Relations interraciales

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Rôle de l'Ontario au sein de la Confédération

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Clerk/Greffier: Smirle Forsyth

CONTENTS

Tuesday 8 October 1991

Members' statements

Government facilities	2777
Mr Callahan	
Emergency telephone services	2777
Mr Cousens	
Household appliance standards	2777
Mr Kormos	
Forest firefighting	2777
Mr Miclash	
Land registration	2778
Mr Jordan	
Agri-Food Week	2778
Mrs Mathysen	
Sexual abuse of children	2778
Mrs McLeod	
Northern economy	2778
Mr Carr	
Belleville farmers' market	2779
Mr Johnson	
Ministerial statements	2779
Mr Sorbara	

Oral questions

Budget	2780
Mr Conway	
Mr Laughren	
Land registration	2782
Mr Arnott	
Ms Churley	
Education funding	2783
Mrs Cunningham	
Mr Allen	
NDP caucus office	2784
Mr Mahoney	
Mrs Coppen	
Automobile insurance	2785
Mr Tilson	
Mr Charlton	
Algoma Central Railway	2785
Mr Martin	
Miss Martel	
Small business	2786
Mr Offer	
Mr Mackenzie	
Assisted housing	2786
Mr Turnbull	
Ms Gigantes	

Assistance to farmers	2787
Mr Sutherland	
Mr Buchanan	
Drug offences	2787
Mr Ruprecht	
Mr Pilkey	
Farm payments	2788
Mr Villeneuve	
Mr Buchanan	
Notice of dissatisfaction	2788
The Speaker	

Motions

Private members' public business	2788
The Speaker	
Agreed to	2788

Petitions

Oath of allegiance	2788
Mrs Caplan	
Mr J. Wilson	
Nursing homes	2788
Mrs Sullivan	
Tobacco taxes	2788
Mr Stockwell	
Mr Runciman	

Committee of the whole House

Employment Standards Amendment Act, 1991, Bill 70	2789
Mr Offer	2789
Mrs Witmer	2792
Ms S. Murdock	2793
Progress reported	2806

Adjournment debate

Sabrina Panetta	2806
Mr McClelland	2807
Ms Akande	2807

Lists of members

Members and their responsibilities
Committees of the Legislative Assembly

TABLE DES MATIÈRES

Le mardi 8 octobre 1991

Comité plénier de l'Assemblée législative

Loi de 1991 modifiant la Loi sur les normes d'emploi, (Programme de protection des salaires des employés), projet de loi 70	2789
Étude ajournée	2806

Listes des députés

Les députés et leurs responsabilités Comités de l'Assemblée législative
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Legislative Assembly of Ontario

First Session, 35th Parliament

Official Report of Debates (Hansard)

Wednesday 9 October 1991

Assemblée législative de l'Ontario

Première session, 35^e législature

Journal des débats (Hansard)

Le mercredi 9 octobre 1991



Speaker
Honourable David Warner

Clerk
Claude L. DesRosiers

Président
L'honorable David Warner

Greffier
Claude L. DesRosiers



Table of Contents

Table of Contents for proceedings reported in this issue appears at the back, together with an alphabetical list of members of the Legislative Assembly of Ontario.

Reference to a cumulative index of previous issues may be obtained by calling the Hansard Reporting Service indexing staff at (416) 325-7400.

Numbering of Hansard

Effective with the opening of the Second Session of the 35th Parliament, Hansard issues and pages will once again be numbered on a sessional basis. Hansard numbering therefore will become consistent with Orders and Notices and Votes and Proceedings, and with other parliamentary publications throughout Canada.

For the last two years Hansard has been numbered according to the calendar year. Under this system, the numbering of issues and pages was restarted with the first issue in the calendar year, regardless of session or Parliament.

Under the new system, the sequence of numbering started in January 1991 will end with the final House and committee sittings of the present First Session. A new sequence will begin on the opening day of the Second Session, and each succeeding session, which will be issue 1 and begin with page 1. Committee reports likewise will be numbered from the first sitting of each committee in a parliamentary session.

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Table des matières

La table des matières des séances rapportées dans ce numéro se trouve à l'arrière de ce fascicule, ainsi qu'une liste alphabétique de députés de l'Assemblée législative de l'Ontario.

Il existe un index cumulatif des numéros précédents. Les renseignements qu'il contient sont à votre disposition par téléphone auprès des employés de l'index du Journal des débats au (416) 325-7400.

Numérotation du Journal des débats

A partir du début de la deuxième session de la 35^e législature, les pages et les numéros du Journal des débats seront de nouveau numérotés par session. La numérotation du Journal des débats correspondra donc à celle de Feuilleton et Avis et de Procès-verbaux, ainsi que celle des autres publications parlementaires au Canada.

Depuis deux ans, le Journal des débats était numéroté par année civile. Avec ce système, la numérotation des numéros et des pages recommençait au premier numéro de l'année civile, quelle que soit la session ou la législature.

Avec le nouveau système, la numérotation commencée en janvier 1991 s'arrêtera à la dernière séance de la Chambre et des comités de l'actuelle première session. Une nouvelle série commencera le jour de l'ouverture de la deuxième session et des sessions suivantes : numéro 1, page 1. Les rapports des comités seront également numérotés à partir de la première séance de chaque comité pour une session parlementaire donnée.

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LEGISLATIVE ASSEMBLY OF ONTARIO

Wednesday 9 October 1991

The House met at 1330.
Prayers.

MEMBERS' STATEMENTS

TORONTO WATERFRONT

Mrs Caplan: On Friday, Toronto city council is expected to make an important decision regarding the future land use of the Maple Leaf Quay south of the SkyDome. The city is negotiating an agreement with the federal government and Harbourfront that will address a number of concerns.

Harbourfront currently uses the area as a nautical centre, with boat rentals and low-cost sailing lessons, as well as for many other recreational and educational programs. Harbourfront wants to have the right to offer to all its people people-oriented programs on the adjacent sites. The city is looking at the option of designating Maple Leaf Quay as a park. That would allow Harbourfront to continue its programs on a permanent basis to the people of the greater Toronto area and to the people of Ontario.

This is really about maintaining the recreational programming and the greening of Harbourfront. This is an initiative which the minister responsible for the greater Toronto area is on record as praising. Although she has no direct involvement in these negotiations, if the minister is so keen on green space and if she believes, as I do, that the waterfront belongs to the people of Ontario, she must lift the provincial zoning order on Maple Leaf Quay as soon as an agreement is reached. She must declare a provincial interest in all the waterfront properties.

We need to see decisive provincial action, and I expect to see that action next week.

NIAGARA ESCARPMENT

Mr B. Murdoch: As most members know, a five-year review of the Niagara Escarpment plan is presently being conducted by the Niagara Escarpment Commission. A report will be written and submitted to the Minister of the Environment along with a report from her hearing officers.

The minister must weigh both reports and make a final decision regarding the development policies in the area. In my view, this entire process is a farce, because the minister responsible for planning on the Niagara Escarpment is in direct conflict of interest. The minister owns property on the escarpment in Nottawasaga township.

How can the minister be impartial when her privacy and her property value could easily be affected by her decision? Although the minister has said she has no position on the review presently being conducted, I find it odd that she met with the NEC members at a critical point in the review process and congratulated them on their work. This certainly does not give the appearance of having no opinion. It seems quite clear that by having dinner with these people when she did, the minister was signalling to the NEC that she was in full agreement with its views.

This minister should not be in a position to pass judgement on this matter. She should either declare a conflict of interest and allow a truly unbiased person to review both reports or move the Niagara Escarpment back under the Planning Act, where I believe it belongs.

BALLS FALLS THANKSGIVING EVENTS

Mr Hansen: I rise today to inform the House of a four-day event in my riding that begins this Friday, October 11, and runs until Monday, October 14. The event is the annual Thanksgiving craft show and sale at Balls Falls Historical Park and Conservation Area in Jordan.

The event is hosted by the Niagara Peninsula Conservation Authority and will feature 115 talented exhibitors who will display and sell fine handcrafted items. Besides the exhibits, visitors can enjoy strolling through one of the most beautiful parks in the Niagara Peninsula and take in the autumn colours. At this time of year, Balls Falls is at its finest and attracts nature lovers from far and near.

This is the 16th year for the festival, which started as a two-day event and has grown into a four-day event because of its popularity. Some of the exhibits this year will include musical entertainment, heritage displays and demonstrations, natural resource management displays, children's craft tents, apple cider, Thanksgiving hymn-singing in a historical church and more. It is an event the whole family can enjoy.

This year the Ministry of Natural Resources is participating and will feature a display with the theme "Education in Resource Management," one of the main goals of the Niagara Peninsula Conservation Authority.

I am inviting all members of the House to join me this weekend at Balls Falls and to encourage their families, friends and constituents to come and enjoy this festival weekend of crafts, history and nature. There is plenty of parking, food and fun for all.

MINING INDUSTRY

Mr Miclash: I rise today to inform this House of recent budgetary changes to the Ministry of Mines. Two million dollars from the Ontario mineral incentive program will be sent back to Treasury this year for non-use. In addition, \$1 million set aside for the refurbishment of abandoned mines, an announcement we all remember the former minister proudly made in this House, will also be sent back.

These changes are doubly offensive. First of all, the Minister of Mines neglected to inform this House of the changes, nor was a news release issued. This minister has violated the right of members to review government policy development and changes.

More important, though, is the slap in the face these changes deliver to the mining industry. Kathleen O'Hara, spokesperson for the ministry, said the money was not being used so they were asked to return it. Is this the best the minister can do? Does she not realize it is her responsibility

to come up with ways to use the money? With a little foresight she could have redirected this money to ensure that it was used to help the beleaguered prospectors of this province in other ways. Instead she threw up her hands in defeat. "Use it or lose it." Is this as creative as she can be?

This is one of her first acts as Minister of Mines. She must be ashamed that she could do little more than watch as this money was reeled in from this program. She has violated the spirit of OMIP. It is an incentive program. The money is there to attract investors. If the money is not there, the incentive does not work.

1340

NEGOTIATIONS WITH ONTARIO PHARMACISTS' ASSOCIATION

Mr J. Wilson: My remarks are directed to a government that says one thing and does something totally opposite. Last week the Minister of Health wrote to the Ontario Pharmacists' Association to inform its members that the government was breaking off negotiations and imposing a retroactive freeze on professional fees paid to pharmacists. In doing so, this government has made a mockery of the negotiation process it so adamantly defended while in opposition and, more recently, in this Legislature. The OPA informed me it was willing to negotiate down from the mediated figure, but the government is more interested in dictatorship than dialogue and refused to bargain with the OPA.

The Premier stated in the Ontario Medical Review of September 1990:

"We also urged the government to create a system of fair and binding arbitration that was acceptable to doctors and other health professionals. There is no fairness in a system that allows the government to dictate unilaterally your level of pay."

I also have a quote from last week from the Chairman of Management Board, who said in this Legislature:

"I think that concomitant with that goes our commitment to the collective bargaining process. We are not going to shut down the collective bargaining process because we are in tough economic times."

With the Minister of Health's decision to impose a settlement on pharmacists, this government has shown that its notion of collective bargaining is a lot like its election promises: empty, expedient and catering only to big unions at the expense of other Ontarians.

GREATER NIAGARA GENERAL HOSPITAL

Ms Harrington: I wish to tell members what is happening in Niagara Falls. This past Saturday, Niagara Falls Taxi Co offered free cab rides from 10 am to 3 pm. There was a free car wash all day, and even I got to scrub bumpers. The local merchants donated hot dogs and hamburgers for a free barbecue. In return, all donations were accepted for a computerized axial tomography scanner.

Before approval has even been given by the ministry, before any fund-raising campaign has even begun, over \$100,000 has been raised. A consultant's study has just been released: "The issue of a CAT scan is priority and the community demand is absolute."

Our community hospital has a very sound reputation for innovation, careful planning and execution. It leads all comparable Ontario hospitals with the most emergency outpatient visits, more than 70,000 this year. It has developed and marketed a Workers' Compensation Board software program with sales commitments of over \$100,000 yearly. The quick response team, a provincial pilot project, has been a success, saving many patient admissions and bed days, the only program of its kind in Ontario.

Our hospital has one of the highest day surgery rates in all Ontario. It has been among the first to implement the Roy nursing model of patient needs assessment and has been asked to participate in filming a US health series about nursing excellence. I salute Greater Niagara General Hospital staff and the people of Niagara Falls who have raised funds.

ACQUIRED IMMUNE DEFICIENCY SYNDROME

Mr Curling: Last April the government released a statement of principles on HIV infection and AIDS in the workplace. In the spirit of the guidelines announced by the Minister of Health, I am asking the Solicitor General today to commit to an immediate review of the HIV policy which has been adopted by his ministry's Centre for Forensic Sciences.

Under this policy, where it is suspected that an individual may belong to a high-risk category for HIV infection, the centre will place evidence in quarantine for 30 days before it is examined. In at least one highly publicized case, police officials were quoted as expressing concerns that their investigation into a murder case, where one of the victims was suspected of being a homosexual, might have been slowed down because of this policy.

Obviously the health of workers at the centre cannot be taken lightly. It is important that employees be provided with appropriate protection from infection. But given that officials at the agency have acknowledged that the 30-day guideline is an arbitrary one and not based on any specific research or assessment of risk, certainly an examination of the current policy would seem to be in order.

GRAND VALLEY LIONS CLUB

Mr Tilson: Today I take great pleasure in offering congratulations to the Grand Valley Lions Club on its 40th anniversary, which it will be celebrating on October 19.

The Lions Club of Grand Valley has played and continues to play a very important role inside and outside of the Grand Valley community. The current 35 members of this group work very hard in support of local and regional charitable organizations. In Grand Valley alone, the Lions Club contributed to the construction of the new arena. They maintain and care for the local ballpark and tennis courts. They support the local minor hockey, baseball and soccer leagues and they also support an annual youth exchange program. Many Grand Valley residents have benefited from Grand Valley Lions Club fund-raising activities. Wheelchairs have been donated to those within the community who have not been able to afford the expense.

The Grand Valley Lions Club is also very active outside of the Grand Valley community. They fund-raise regularly

for groups such as Canine Vision, a program established to train seeing-eye dogs; Concern, an emergency relief organization; Lake Joseph, a support camp for kidney dialysis patients, and Participation Lodge, a retreat for those with special needs.

I applaud the efforts of the members of the Grand Valley Lions Club and their families on this 40th anniversary. Their hard work and generosity have added to the quality of life in their own community and other communities throughout Ontario. I extend best wishes for their celebration on October 19 and look forward to 40 more years of commendable service in Grand Valley.

MEMBER'S COMMENTS

Mr Fletcher: I believe the women of Ontario should receive an apology for the remarks made by a member of this Legislature yesterday. I am referring to the remarks made by the Conservative member for Wellington. The member's feeble attempt to criticize the government by comparing it to the virtue of Elizabeth Taylor is an embarrassment and an insult to women.

The member's comment followed an exchange between the opposition member for Renfrew North and the Treasurer, during which the member for Renfrew North used the phrase "Liz Taylor romance" when describing the Premier's relationship to small business. The Conservative member for Wellington then commented, "I would compare this government's virtue to that of Elizabeth Taylor any time."

Relating a woman's virtue to her choice in relationships is a dangerous misconception which only perpetuates prejudice, injustice and even violence towards women. The member for Wellington's poorly chosen analogy, aimed at the provincial government, has succeeded only in denigrating the women of this province, including those who are members of this Legislature. The disrespectful attitude unwittingly displayed by the member perhaps comes as little surprise, considering the failure of his federal colleagues to protect women by quickly reinstating a rape law for women.

Mr Arnott: On a point of privilege, Mr Speaker: The member for Guelph knows full well that I meant no offence to anyone with that statement. In fact, the member for Renfrew North raised the concept, the Treasurer continued the analogy and I simply continued the analogy. I meant no offence to anyone. Second, I would respond to the member for Guelph by making the suggestion that he is simply trying to divert attention away from the fact that he is the parliamentary assistant to the minister who is closing the registry offices, and that, simply, is the reason he wants to do this: to divert attention away from the real issue of my questions yesterday.

Interjections.

The Speaker: Order. We are certainly all awake.

1350

SABRINA PANETTA

The Speaker: Before continuing with routine proceedings, on Monday last the honourable member for Brampton North, Mr McClelland, and the honourable

member for Mississauga West, Mr Mahoney, raised points of order arising out of question period. I undertook at the time to review Hansard and report back to the House.

In regard to the point raised by the honourable member for Brampton North, I have examined Hansard and I must find that what took place on Monday was an expression of a difference of opinion between the honourable member and the honourable Minister of Community and Social Services. As to the use of the word "misrepresents," which was complained about by the honourable member, I did not hear it during the exchange and Hansard reports it in a most indefinite way. Therefore, as has been ruled many times before in this chamber, while there was obviously disagreement as to the facts involved, unparliamentary language was not used.

USE OF QUESTION PERIOD

The Speaker: As for the point raised by the honourable member for Mississauga West that the question period is not one that should be used by members in order to make statements in the House, I am in full agreement. Statements by ministers should be made to the House in that period of our routine proceedings that is dedicated for that activity.

However, that is not to say that the Speaker is in a position to make judgements on the contents of answers in order to determine whether or not they constitute announcements of public policy. Therefore, I will repeat that as much as possible, ministers should refrain from using question period to make statements that should be made during the procedure called "statements by the ministry," especially in response to questions asked by members sitting on the government benches.

In closing, I would like to thank both honourable members for having raised this and express the wish that members will continue to use question period for what it was meant for—that is, to elicit information—and that the ministers in response will, as briefly as possible, come forward with the requested information.

CORRECTION

Mr Mahoney: On a point of privilege, Mr Speaker: I would like to ask for a correction of the record in a question I asked yesterday to the minister responsible for the caucus services for the New Democratic Party with regard to the frivolous waste of taxpayers' money in the decorating of their caucus room. The response from the minister in Hansard said that this issue went before the Board of Internal Economy, and she also suggested that I was a member of the Board of Internal Economy.

For the record, I would like to say that I never have been a member of that board and I am not a member of that board and I did not deal with that particular issue. I further understand that the specific issue to which I referred, which was the waste of the taxpayers' dollars in decorating that room, was not specifically put before the board. The caucus budget was before the board, but I want it clear on the record that I am not a member of that Board of Internal Economy and did not deal with this. I would appreciate it if the minister would correct her statement.

The Speaker: The member for Mississauga West will know that members rise to correct their record, not someone else's.

It is time for statements by ministers.

Mrs Caplan: Again no statements.

Interjections.

Mr Mahoney: It is not a correct statement. Would she correct the record?

Interjections.

The Speaker: When the members have come to order, we can continue with our routine proceedings.

Mr Mahoney: I was not a member of the board. Correct it.

Hon Ms Martel: They didn't spend \$100,000. Correct it.

The Speaker: The chief government whip.

Hon Mrs Copen: I have only been at Queen's Park for one year and I have always been so thrilled about being in a committee room with the member for Mississauga West. It was my mistake. I was always so impressed—we sat together in House leaders' meetings—that I forgot. It was the same room. I stand corrected, I say to the member for Mississauga West, but I still enjoyed his company at every meeting we were at.

The Speaker: Terrific. Now that we are happy with being in the room with each other, perhaps we can have question period.

Mrs Caplan: Aren't we going to have ministers' statements today?

Interjections.

The Speaker: Order. I will wait until we have resumed a bit of calm and then we can begin question period.

MINISTERIAL STATEMENTS

Mr Elston: On a point of order, Mr Speaker: We have been dealing in this House for the last two weeks with an issue that all of us know has been very important, about how this government handles difficult issues, and this has been a difficult issue. We know the Minister of Community and Social Services has made a decision with respect to the family in Brampton. She has communicated that. She has made a statement to those people and she refuses to tell us here in this House after we have talked about this as an issue for several days.

Hon Mr Rae: Ask a question.

Mr Elston: They say, "Ask a question." I will tell you, Mr Speaker, the minister has to have the courage to come in here and tell us what they are doing. They cannot always be asking us to ask questions. We are asking for a little bit of assistance with doing the public business. We are not here to be beggars, to ask for bits and shreds of information that they allow themselves to drop during questions. They must come clean with this House. They must come clean with all the opposition members if they want our co-operation in doing the public business. When are they going to do the right thing and become public administrators instead of public menaces?

Interjections.

The Speaker: Order.

Mr Elston: Mr Speaker, I refuse to be played with in the way these people are playing with the democratic process. "Ask us a question," indeed. Where do you have the nerve to demand everybody to beg information from you?

Interjections.

Mr Elston: Every day this week there have been releases, and every day this week they have not been—

The Speaker: Would the honourable Leader of the Opposition come to order, please. Before we continue, the member will—

Mr Elston: If this is the way we do public business, then it is not business done at all.

Interjections.

The Speaker: I would appreciate the members' attention. Order. I ask the members to come to order.

Interjections.

The Speaker: If members will not come to order, we cannot conduct business. I am asking the members to come to order.

Mr Sorbara: They have changed the standing orders.

The Speaker: I am asking the member for York Centre to come to order.

Mr Elston: We have a right to know and we don't pretend to be beggars.

The Speaker: I am asking the Leader of the Opposition to come to order.

Mr Elston: Mr Speaker, I really do wish to apologize for my behaviour, but every day this week there has been an announcement outside this House that could have been done here in the House so that we could reply to it. We have been told by the Premier of the province, when I raised this issue, that I should ask a question, "Please, sir, more information." That is not what opposition is about. We have to be informed and we can reasonably be expected to address problems in a better way if we are informed, but we refuse to be begging here for little shreds and pieces of information that are necessary for us to carry on our business.

The Minister of Community and Social Services has made a decision on the Panetta case. All we are asking is that she have the courage and the generosity of spirit to come here and tell us. What they want us to do is use up one of our leader's questions when the decision has already been made. It is the worst type of manipulation.

Mr Speaker, I apologize to you for my behaviour, but you must ask those people to start doing business in the public spirit.

Interjections.

The Speaker: I will address this matter when I have order in the House. The member will know that the standing orders prescribe a period of time for the government ministers to make statements on public policy. There is nothing in the standing orders which allows me, as your Speaker, to compel ministers to make statements. I certainly appreciate the parliamentary practice that statements

of public business should rightfully and properly be made in the House. There is nothing I can do to compel that to happen.

1400

Mr Elston: I will not beg for democracy. I will fight for it. I will not beg you guys for democracy. We have a right to it.

The Speaker: Before continuing on this, the government House leader indicated he wished to address this point of order raised by the honourable Leader of the Opposition.

Hon Mr Cooke: Very briefly, I think that it is an appropriate process—

Mr Scott: It is not a point of order and I wonder if he would mind using the time to—

Hon Mr Cooke: Can I respond? I think the point that has been raised by the Leader of the Opposition is unfair in that the question—

Interjections.

The Speaker: Order.

Hon Mr Cooke: A couple of minutes ago the members opposite were fighting for democracy. Now they will not even let us talk.

The matter that was raised by the leader of the official opposition—

Interjections.

The Speaker: Order. Would the government House leader take his seat for a moment. This is a very serious matter, and I believe that it will best be dealt with in a serious way, which means that I need to hear what is said, and I would ask the members' co-operation in listening as well.

Hon Mr Cooke: On the matter that was originally raised by a member in question period there has been, to my knowledge, no public statement made. If the member wants to raise the matter again in question period, I would see it as the most appropriate way to handle the issue.

I find it very curious that today, nearly at the end of the third week the Legislature has been in session, the Leader of the Opposition wants to talk about this place working and democracy when the opposition members have not let us pass one piece of legislation and we have been back here for three weeks.

Interjections.

The Speaker: Order. I will entertain a comment from the member for St George-St David and then the member for Parry Sound.

Mr Scott: Mr Speaker, I have another point of order and I would like to deal with it quickly and as coolly and dispassionately as I can, because I think there is an important issue inherent here.

In the last couple of days the minister responsible for native affairs and Minister of Natural Resources has issued to parties and participants across the province an interim agreement between the government and the Algonquins of Golden Lake which calls for significant changes in the rights of native people—many of which are highly desir-

able—as of October 15, which I think is less than a week away.

This is an extremely important matter. I have had the portfolio the honourable minister has and I respect the importance of this issue. But no statement about this was made to the House, notwithstanding that a policy, many components of which I heartily applaud, was not announced in the House, so that no member could make any comment about it.

The problem with that is not simply that we are deprived of our voice to deal with these matters of important public policy; the problem with it is that opposition members are placed in an invidious position that my friends the new ministers simply would not have permitted a year and a half ago, namely, that we hear about a major initiative in native affairs because representatives of the aboriginal community phone us and say, "What do you think of it?" Hunters and fishermen phone us and say, "What do you think of it?" and we say, "Well, it hasn't been announced yet." They say, "Oh well, the minister has told us."

Surely that illustrates the importance of this point. I do not say that everything has to be announced in the House. There is not time. But certainly important questions of public policy that have been debated here or important questions in which new directions are taken by the government of the province should be announced, not simply so that there will be the advantage of an announcement, but so that the public may hear about them over television—that was one of the points of televising these processes—and so that the other parties can either applaud them, as I have done from time to time, or criticize them, as I am entitled to do on the part of my constituents.

I do not think it is simply a trivial matter. I agree with statements that were made regularly over the last five years in the House, on occasions when this occurred, by the present Premier, by the present Treasurer, by the Minister of Natural Resources, by the House leader, all of whom made the point I am emphasizing. It apparently has now escaped their minds, and I ask if we cannot have a return to that practice.

I have a similar point to make about the Attorney General, but as he is absent I will defer it.

The Speaker: To the member for St George-St David, my comments made earlier to the leader of the official opposition are in the same category of response to your point of order.

Hon Mr Wildman: I understand the sincerity and concern of the member in his comments in his point of order, but I should clarify one thing in response. What was issued yesterday was a draft for discussion and study and consultation. It was not a final document. The fact is, as the member knows, members of the Legislature were briefed on this yesterday afternoon, including the member himself. He did not—

Mr Sorbara: What about us?

Hon Mr Wildman: All members are welcome to be briefed, and the fact—

Interjections.

The Speaker: Order.

Hon Mr Wildman: The member for Simcoe East and the member who just spoke were both briefed yesterday, as were other members. They did not hear about this from someone outside. They heard it from the Ministry of Natural Resources staff. The fact is, provincial organizations were briefed yesterday afternoon and the members of the ad hoc committee in the Huntsville area were briefed last night. The groups east of Algonquin Park will be briefed tonight.

When we have finalized the document after the consultation, then we intend to make a statement in the House. I am happy to answer any questions that might be raised today about this process.

Mr Eves: On the same point of order, Mr Speaker, I think the government should really take stock of its practice over the last few weeks and months. In this House just recently—or not in this House just recently is a better way of putting it—there have been statements made by the Minister of the Environment this morning, by the Attorney General about courthouses, by the Minister of Community and Social Services about the welfare of a young girl, by the Minister of Natural Resources about Algonquin Park and the arrangement with the natives and their rights, by the Minister of Health about AIDS and by the Minister of Health about nursing homes, to name a few within the last few days.

There is a long-established democratic practice in this province whose roots go back long before the NDP in this province. It is called democracy and they are not practising it.

The Speaker: Just a minute. Will members take their seats, please.

Mrs Caplan: On a point of order, Mr Speaker—

The Speaker: In a moment, if it is something new. What we are slipping into here is a debate rather than raising a specific point of order. I would prefer that we get on with the business.

The Speaker, who also has homework to do, checked indeed that this very matter that you raise today was one that was raised last spring in Westminster, to which the Speaker there, Speaker Wetherill, gave much the same response as I have given today. There is nothing in the standing orders which compels ministers to make statements, nor is there anything in the standing orders which directs the Speaker to compel ministers to make statements. If members wish to change the standing orders, of course, there is a procedure for doing that.

If there is a different point of order to be raised by the honourable members from Parkdale, Oriole and York Centre, I will recognize them, and first is the member for Parkdale.

1410

Mr Ruprecht: Mr Speaker, I really appreciate your remarks and I think most of us would realize that you are almost powerless to do something about this issue. But I remind you that in the last three weeks I stood in this House asking you a similar point of order, and finally we had no one to ask but the government whip about what happened to the moneys that were allocated to Expo 98,

simply because the minister would not make a statement in the House but chose instead to make a statement to the press. Consequently, that obviously is not in the tradition of this House, and we really adamantly object to this kind of behaviour.

Mrs Caplan: I rise on a point of order, Mr Speaker: Over the course of the last few weeks you have had the opportunity to see at first hand some of the frustrations that members of the official opposition and members of the opposition party have had during question period and during debate, and you have commented on that. As one whom you have named on occasion, I thought this is the opportunity I would like on this point of order to explain to you the frustration we feel when democracy is not being well served.

Having experienced from this very government being shut out of a public meeting and told I could not attend a public meeting in my own riding, having had that experience, I am very frustrated when I find ministers like the Minister of the Environment this very morning make a statement outside of this House on waste reduction issues. She released draft regulations. We have yet to hear a statement in this House. We have had nothing from her today on the area of the issues of the waterfront, which is of real importance to the people in my riding of Oriole.

I feel, as a member, that my privileges to represent my constituents are being abrogated and that I am not able to fully represent them in this House because these ministers and this government shut us out of meetings, they do not give us the information we need and they will not even make their statements in the House.

Mr Sorbara: On a different but related point of order, Mr Speaker: It arises from the matter I directed to your attention yesterday. I just want to make the point in a slightly different context and ask you, rather than simply rule on it today, to take the matter under advisement and reflect on it and not just refer to the precedents in Westminster, but indeed be able to find perhaps a source within our own standing orders that might offer you direction.

I just want to point out that standing order 1(b) reads as follows:

"In all contingencies not provided for in the standing orders the question shall be decided by the Speaker or Chair, and in making the ruling the Speaker or Chair shall base the decision on the usages and precedents of the Legislature and parliamentary tradition."

I want to point out to you, sir, that there is nothing in the standing orders that requires ministers to attend during question period and answer questions, but I am sure that if repeatedly, as a course of conduct day after day, ministers all just remained absent from the Legislature, were not here to answer questions, some question would arise as to whether the ministers by their conduct were not amending the standing orders.

I want to suggest that a course of conduct has now developed. Day after day, important government announcements have been made on courthouses, on assistance for AIDS, on a new draft treaty with aboriginal people, and there have been a number of others. The course

of conduct the government has exhibited is to make those announcements outside of the House.

I concede to you that the standing orders say that ministers "may" make statements in the House, but I refer you to the traditions that have been established not in Westminster but in this very Parliament. In fact, that tradition was reconfirmed when a few years ago we changed the standing orders to give opposition members—and we as government members supported those changes—the opportunity, right here in our Parliament, to comment on the announcements the government was making. We have done that and we have organized our staff and our caucus and the way in which we approach public policy to be prepared to respond in this House.

The course of conduct has now suggested to me and others that the government by its conduct is amending the standing orders. You will know, Mr Speaker, that we have a mechanism for amending the standing orders. We have an opportunity to debate changes in the standing orders of this significance in the Legislature, and those debates are not easy.

I ask you once again, Mr Speaker, rather than just ruling, to examine clearly whether the traditions of this place are now violated to the extent—

The Speaker: Would the member take his seat. As always, as your Speaker, I am more than pleased to review matters that are brought before me. Indeed, I will do some homework. If there are any members of the assembly who wish to provide written advice to my office, I would be most pleased to receive any written advice on this matter. I am a little reluctant to recognize more members. We should be getting on with question period. If it new information or a new point of order, fine.

Hon Mr Cooke: In addition to any work you might be doing, Mr Speaker, might I also suggest that an approach we might take is that tomorrow, when we have the House leaders' meeting, the three of us should talk about this. Obviously the opposition parties are not happy with the process.

Mrs Caplan: You know better than this, Cooke. You would never have put up with this kind of crap. Don't give us that garbage.

The Speaker: The member for Oriole, come to order.

Hon Mr Cooke: I would be more than willing to try to work this matter out with the opposition House leaders so that we can all be happy.

Mr Scott: I have a new point, but it is a similar point, Mr Speaker. I will state it very briefly. I am trying to do this dispassionately so that the backbenchers opposite who want to shout us down will understand where we are.

The other day the Minister of Health made a very important announcement about financial support for people who are sick with AIDS or who are HIV-positive. I represent the constituency in Canada that has probably the largest population of people suffering from AIDS or who have HIV-positive diagnoses. I was and am prepared to applaud the announcement the minister has made. I have dealt with the minister on the subject and with her predecessor and the Attorney General on AIDS-related issues. If this an-

nouncement had been made in the House, I think I would have said it was a good announcement. Opposition members often say it does not go far enough, but I would have said it was a great start.

The problem here is that the only way I heard about this—there was no briefing, nothing—was because my constituents came to me and told me what the minister had said she was going to do. She had not said it publicly. The message in this is that the member for St George-St David does not count. Members opposite may think this does not matter, but the corollary message is, "If you want to have input into government decision-making, if you want to really know what is going on, opposition constituencies, you had better elect NDP members." This, in my respectful submission—

The Speaker: Would the member take his seat, please. I have taken this matter under advisement.

Mr Harnick: Point of order.

The Speaker: Is this a new point of order, the member for Willowdale?

Mr Harnick: Yes, Mr Speaker. Perhaps we could get out of this conundrum if we asked the Premier to tell his ministers to start making these statements in the Legislature. Maybe he will listen to us. Why do we not just ask? Rather than take it under advisement, why do you not just ask the Premier if he is going to continue with this policy, Mr Speaker? If he is, we can continue to argue. Maybe he will avoid the dilemma and say he will instruct his ministers to start dealing with us in the Legislature as they should be.

The Speaker: I ask the House to come to order. We have spent a considerable amount of time on this important matter. I have listened carefully to each and every presentation. I have made an undertaking to review the matter and indeed have invited members to make any contributions.

Mr Stockwell: Point of order.

The Speaker: Do you have a new point of order?

Mr Stockwell: Yes, it is new, Mr Speaker. Maybe this is time-consuming and frustrating, but it is that way because we have been put in this position and it is very important that we bring forward our concerns.

Let alone the announcement this morning on waste separation, last night in my city, Etobicoke, there was apparently a development deal cut by this government on the motel strip, the waterfront. The last group I would have expected to see a development deal cut by is this government. They have in fact cut a development deal on the motel strip and done two very important things. First, they have agreed to densities and approvals that have not been, in my opinion, properly canvassed before this House. Second, they have withdrawn any need for any environmental assessment hearings on these properties. It seems to me that an announcement is properly due before this House by the minister who is effecting these changes, so that the people in my city have an opportunity of hearing exactly what the deal is from the minister in this House, not just from the Toronto Star.

Mr Sorbara: Can we just have a straw vote to see how many people think the government should make announcements in the House? Come on.

Interjections.

The Speaker: Should I conduct a vote on how many people would like to have question period? Would members like to have question period?

Interjections.

The Speaker: If members are not prepared to come to order for question period, then we will have to take a recess. Are members prepared to come to order?

Interjections.

The Speaker: This House stands recessed for 10 minutes.

The House recessed at 1422.

1432

The Speaker: It is time for oral questions.

Mr Elston: On a point of order, Mr Speaker: The Premier has been here. He has heard this. He should make a statement that they are not trying to manipulate us out of our rights as members.

The Speaker: Would the member take his seat. There is no point of order.

Mr Elston: He has heard us.

The Speaker: It is time for oral questions. The Leader of the Opposition.

Interjections.

The Speaker: I ask the House to come to order. It is time for oral questions. The member for Brampton North.

Mr Scott: We want to hear from the Premier.

The Speaker: Will the member for St George-St David come to order so that his colleague the member for Brampton North may ask his question.

ORAL QUESTIONS

SABRINA PANETTA

Mr McClelland: I find it interesting in light of the comments of my leader earlier that in fact it seems this is a government from which we have to beg for information. I make no apology for begging on behalf of a child. I do not apologize for that, and I guess that is what it took. I have heard recently, and I hope the minister will confirm this, that after some time on the phone with the mother of the child, the mother finally had to ask, "Well, tell me, minister, is it a yes or a no?" I do not know whether it is the minister's arrogance or lack of compassion, or what it is, that forces people to crawl and beg. In this case, I do not mind doing that.

I was very interested to read in this morning's press comments attributed to the Premier regarding his proposed social charter. Yesterday, in what was described as an impassioned speech, the Premier said that without his social charter, "We will become a meaner and less civilized country and the signs of that are all around us."

I want the minister to explain to me—to the people of this province primarily—the apparent contradiction in terms

of the Premier's statement about his social charter and how she has played games and bargained with a child's life. Would the minister please explain that contradiction to me now?

Mr Scott: Why don't you make fun of it first?

The Speaker: Will the member for St George-St David come to order, please.

Hon Ms Akande: This is a child we are talking about, a dying child, and this is the family of a child we are talking about. I spoke to that family today at about 1:30 and I said to them, "You know, I don't want to and I don't feel comfortable bringing this child and your name again and again into the House and having to respond to this," because I am determined not to use a child and a family's suffering for some political advantage.

Mr Scott: Let the child go home.

The Speaker: Order.

Mr Elston: We were told to ask the question. We asked the question. Why don't you answer it?

The Speaker: Order. I ask all the members to come to order. This is a very sensitive and delicate issue.

Mr Elston: Why doesn't she answer the question? Don't try to bail her out.

The Speaker: I am asking members to come to order.

Mr Elston: The question was asked. Answer it.

Mr Drainville: How could she?

The Speaker: I remind members that the Speaker has a responsibility to be able to hear both the question and the response. I cannot do so when there is a lot of noise. If members will come to order, the minister could try to conclude her remarks for us.

Hon Ms Akande: The opposition says that the information should come to this House first because that is democracy. I chose first to speak to the mother of the child because that is courtesy.

Interjections.

The Speaker: Members, come to order, please. Would the minister conclude her remarks.

Hon Ms Akande: We had a very meaningful and good meeting with the doctor, the parents and those concerned and involved around being secure that we could send the child home without putting her at greater risk. I informed the mother after 1:30—

Mr Elston: Why didn't you have the courage to tell the people about it?

The Speaker: Order. Could the minister conclude her remarks, please.

Hon Ms Akande: I informed the mother at 1:30 that we would continue to work—

Mrs Caplan: What qualifications do you have to make a medical decision?

The Speaker: The member for Oriole, come to order.

Hon Ms Akande: —to put the supports in place very quickly to bring the child to their home.

Mr McClelland: I say simply that it is beyond anything I have ever had in my four short years of experience

here for a minister to stand and say she did not want to make it political, when after trying every avenue possible, the parents, who are absolutely frustrated with her refusal to talk to the physician, to deal directly with it, with heart-break had to go public and ask me to do that. The minister should not for one minute stand in her place and say we made it political or the family did. She forced this to become a political issue. It should never, ever have been here.

1440

The Speaker: Does the member have a supplementary?

Mr McClelland: The minister said at one time it was not a matter of risk and all the while she knew that. She said it was not a matter of cost and all the while she was talking about cost. What I want to know is, will she try to explain to the family why it is that we had to go through all this to get to a point to get the child home? Why did she put them in a position where it required the political will of many people across this province who phoned and put her feet to the fire? That is what made it happen. I want to know what her government is going to do in terms of setting up some policy or protocol so that she can deal with circumstances and not force this to happen again.

Hon Ms Akande: It is a matter of great concern that it has taken us months to work with this family. We have and are currently providing supports to this family out of our concern for them.

When the member raised the question a few days ago, I brought him to a meeting and shared with him our concerns and he said to us, "Well, you know, that's politics." Another member was there and my staff was there, "That's politics." No. I have a responsibility to address the needs of children and families in this province. That is not politics, that is concern. What took so long? We have the order-in-council policy. The order in council allows us, after looking at every avenue, to make very difficult decisions about providing exceptional supports for children. We have no program, in either the Ministry of Health or the Ministry of Community and Social Services, to provide health services that parallel health facilities.

Mr McClelland: The minister can look over here to me with all the disdain she can muster, and she is doing that very well, but what I said very clearly was that it was a political issue inasmuch as it was my job to advocate and her job to make the decision. That is the responsibility she is charged with. That is her responsibility politically, sitting in the minister's chair, to make decisions to help people. The fact of the matter is that despite all her rhetoric and all her grandstanding, and that of her Premier, her government is putting precedent ahead of people, and that is her concern. She has no policy to deal with people in need in similar circumstances, and this case is only one piece of evidence in terms of her lack of compassion and concern.

The Speaker: Your supplementary?

Mr McClelland: All the rhetoric and sending one of her colleague's daughters to the meeting to tell them what a fine person she was is all well and good. The reality is

that she has the power and the authority to deal with this sort of circumstance in the future.

The Speaker: Would the member place his supplementary?

Mr McClelland: I want to know how she is going to square it with the Premier's rhetoric and her rhetoric and do the right thing. I thank her and I thank most of all the people of Ontario who have helped in this case, that finally, after all this time, not just in the last few days but after beginning to work on this matter for months, she has come to the right decision.

Hon Ms Akande: It is interesting to me and it is a fact that when we arrived at that position there was no policy. Children have not "begun" to die. Families have not "begun" to feel this pain. This is an old problem. As I look in the records, I see it. We are beginning to recognize that there must be something that we put in place to deal with this more quickly.

The other thing I want to mention is that the member raises the fact that he brought it to this House only to bring us to a decision. The decision is made. Let's give the family some privacy. Let them have the solace of their privacy.

Interjections.

The Speaker: Order. The member for Halton Centre. Would the member for Brampton North take his seat.

PARLIAMENTARY PROCEDURE

Mr Elston: On a point of privilege, Mr Speaker: During the question that was being asked by my colleague, this first question, the adviser to the Premier, Chuck Rachlis, was heckling from under your area back there telling the member to get back to the sewer. It was clearly heard. I demand that the Premier request that the fellow leave the room and stop heckling and withdraw himself from intervening and trying to enforce his will on our members. We will not stand for those types of shenanigans.

Interjections.

The Speaker: Order. Would members come to order, please. If the Leader of the Opposition will come to order, I will respond to his point of privilege.

I did not hear the remark to which he refers.

Interjections.

The Speaker: Would the members come to order. The member for Oriole.

Interjections.

The Speaker: I ask members to come to order. The standing orders are quite clear that there are not supposed to be interventions, but when interventions are made, they are by members of the House. They are not by any strangers. If indeed there are strangers on the floor of the House who have made comments, they should not do so. If comments are made, then those individuals are asked to leave.

Mr McClelland: On a point of privilege, Mr Speaker: Indeed those comments were not heard by yourself, and they were said. May I simply say, even if you cannot confirm whether they were stated or not, I do not take particular exception to the fact that they were stated to me if that is what it takes to get something done here. I might add

that I would prefer that the minister save her impassioned speeches for the cabinet table, where she ought to be doing her job and not forcing this kind of thing to happen.

ROYAL VISIT

Mr H. O'Neil: Can the Premier, who is also the Minister of Intergovernmental Affairs, tell the members of the Legislature why his government has rejected historical protocol and refuses to officially welcome the Prince and Princess of Wales at Queen's Park, Ontario's seat of government? Can the Premier tell us his reasons for changing the tradition in this province?

Hon Mr Rae: I am glad the member has asked the question because it gives me an opportunity to say some things to the House with respect to a newspaper report this morning. There were things contained in that article that are completely false and complete fabrication.

The article states in its headline, for example, that there will be no official welcome for Charles. That is totally and completely false.

Mr Scott: Prince Charles to you.

1450

Hon Mr Rae: For Prince Charles. I am quoting from the headline. I recognize that there are some days I cannot win. I say to the former Attorney General, who should know, that I try to choose my words carefully. I was quoting from the headline.

I say to the honourable member, whose concerns in this regard I thoroughly respect, that not only will there be an official welcome by me as well as by the Lieutenant Governor when the royal couple arrive, there will also be a Lieutenant Governor's reception here at Queen's Park the evening they arrive. There will also be the next day, which I think is an important expression and one that was desired by the royal couple as much as by anyone else, the opportunity to allow them to see other parts of the province where they will be welcomed as well.

The royal couple are paying an outstanding tribute to the people of Canada and the people of this province by spending as much time here as they are. The visit is one in which they will be meeting with people from all walks of life, they will be meeting with people from all parts of the province, and it is truly going to be a marvellous occasion for everyone.

The Speaker: Would the Premier conclude his remarks.

Hon Mr Rae: It is a visit of which all Ontarians can be proud and I can assure the member that we are pulling out all the stops in terms of hospitality in welcoming Prince Charles and Princess Diana to our province.

Mr H. O'Neil: I guess I would have to ask, how do we get to the state that we have this feeling within this province, that we have headlines such as those that appeared in today's papers and such stories on the TV?

Interjections.

The Speaker: Order, order.

Interjections.

Mr Scott: On a point of order, Mr Speaker: I just have a suggestion. If they make a lot of noise, why do you not

call order, say "the member for St George-St David," and then they will shut up.

The Speaker: I appreciate your help. Now if the member for Quinte could continue with his supplementary.

Mr H. O'Neil: I have two supplementary questions. I guess we would not have these stories appearing in the newspaper and on TV if it had not been for the previous attitude of the Premier and some of this cabinet. I might also say to the Premier that we have made several calls to the ministry office and to protocol: again, secrecy. I had to call the Tories in Ottawa to get the schedule today. That is where I got it.

The Speaker: Is there a question?

Interjections.

The Speaker: Order. Is there a question?

Mr H. O'Neil: I thank the Tories for that information.

I say to the Premier that as far as I understand, it has always been proper protocol to invite royalty to come into this chamber and receive the official welcome here. I would have thought the Premier, given his government's experience over the banning of the oath to the Queen and his failure to attend Victoria Day celebrations, would have realized that a significant number of Ontarians will be concerned over his government's further snub by not inviting the royal couple into this chamber.

Given the fact that his government is seen by many Ontarians as anti-monarchist, will the Premier, as Minister of Intergovernmental Affairs, intervene to ensure that the historic protocol is revived and that the Prince and Princess of Wales receive their official welcome here at Queen's Park in this chamber?

Hon Mr Rae: With respect to the itinerary, this has been a matter—talk about protocol—about which we are not allowed to say anything. I have not been allowed to say anything to anybody until it has been released by Buckingham Palace and until it has been released in Ottawa. If the member wants to talk about protocol, the protocol is that we are not allowed to say anything. If the member for Quinte is expressing concern about the secrecy, I can only tell him our hands have been tied with respect to releasing the details of the itinerary until such time as it was released by Buckingham Palace and until such time as it has been released by the government of Canada, which is also obviously very intimately involved in the visit.

The itinerary that has been developed is one that has been developed not only in consultation with the royal couple but at their request. It was their desire. For example, Her Royal Highness is going to be visiting Casey House at her request. Her Royal Highness is going to be visiting with members of the Ontario Coalition of Visible Minority Women at her request. Her Royal Highness is going to be visiting the youth clinic of the Addiction Research Foundation at her request.

His Royal Highness is going to be visiting with a number of groups. He is going to be inaugurating the pollution abatement program at Inco at his request. They are going to be visiting Cambrian College at his request.

This is a visit which allows the royal couple of see Canada and to see Ontario as it really is, in all its diversity, in all its majesty, and to meet the people. That has been done at their request. It is going to be a terrific royal visit, and I know the honourable member will feel the same way as he gets the chance to participate in it, as thousands of Ontarians are going to be allowed to do. We think it is a great idea.

Mr H. O'Neil: After I have had a chance to look at the agenda that their royal highnesses will have, I am very pleased also, but I guess I worry about the Premier's attitude and that of some of his ministers—not all of his members.

I wonder how many requests the Premier put in. Did he ask the protocol people not to break royal tradition, that they be invited in here? We will also go as far as to say we will help to untie the Premier's hands on this thing. Why does the Premier not invite them here, into the chamber, and why does he not reinstate the oath?

Hon Mr Rae: I must confess that in my more reflective moments I thought, the way it was evolving—again, in terms of the requests that were being expressed coming out of the palace—that this would be a visit that all members of the House could see as an opportunity for them to visit with people who ordinarily would never get a chance to see the royal couple.

Protocol runs these visits, so the honourable member should not suggest for a moment that anything would be done outside protocol. Everything that is done is done with respect to protocol and tradition. But I want to say to the honourable member that I am very proud we are having a welcome of an official kind for the royal couple in the good city of Sudbury. I am very proud of that as Premier. I think we should all be proud of that, because I think Sudbury deserves to welcome the royal couple as much as Toronto does and as much as any other part of Ontario does. I think that is something they feel very strongly about as well.

I am very proud of the itinerary the royal couple have asked for and participated in. I think it is going to be a tremendous success, and I know the honourable member will agree with me when he sees how it is all going to unfold.

The Speaker: New question, the leader of the third party.

Mr Harris: I appreciate the welcome back. Mr Romanow says hello. He says, "Please stay home."

I also come back with some advice for the Premier. A simple statement today during ministers' statements could have cleared up everything with the royal visit, but the Premier does not want to announce things to us in the House.

1500

GOVERNMENT SPENDING

Mr Harris: My question is to the Treasurer. Last week when he announced a 5% trim of ministry operating budgets, the Treasurer failed to provide any sort of guidelines, except to say it would not come from the paycheques

of the civil servants. Those costs went up 15% last year, but the Treasurer set out that guideline.

The next day, staff of the Ministry of Government Services real estate branch walked down the street from their Bay Street offices, bypassing all the meeting rooms in the Macdonald Block and the hundreds of others that one would think the Ministry of Government Services would know about here in Toronto, to the Royal York Hotel. They held a meeting in the Ontario Room and sent the bill for \$895 to the taxpayers.

How does the Treasurer expect the public, how does he expect the other 100,000 civil servants, how does he expect the rest of the ministers to treat his announcement seriously when the day after he makes the announcement, the Minister of Government Services—obviously there is no communication with his department or the deputy minister—is still acting as though no announcement took place? It is business as usual, "Let's head on down to the Royal York."

Hon Mr Laughren: I welcome back the member for Nipissing. First of all, I did not know that what the member has described has occurred, but I can tell him that every minister of this government and every ministry of this government takes seriously what we did last week. We have asked them to save and told them that, with their compliance, \$100 million will be saved in the operating budgets of the various ministries.

I recognize the fact that the previous government was not able to do that in five years in office. We have decided we are going to do it. It will save \$100 million this fiscal year and \$300 million over the next 18 months. We are serious about it and every minister in this government is serious about that.

Mr Harris: Surely the Treasurer would agree with me that these civil servants—it would have been a shorter walk too, by the way—could have easily held their meeting over at the Macdonald Block. They could have ordered soup and sandwiches if it is our duty as taxpayers to pay for their lunch while they meet. But they ordered the cancelloni lunch at the Royal York at a cost of \$17 per person for some 175 people meeting down at the Royal York.

We have hundreds of government boardrooms, many of them recently redecorated, as we have heard, for some deputy ministers, even with fine china for 50. They sit empty while civil servants are off running up these hotel bills. The day after the Treasurer made the announcement, obviously the Ministry of Government Services had not got the message. Can the Treasurer give me any assurance that this is not going to happen again in the future?

Hon Mr Laughren: I have learned just in the last year even that making these iron-clad guarantees and assurances can get one into trouble, but I would say to the leader of the third party that every ministry takes seriously the need to constrain our expenditures this year.

Mr Harris: Oh yes?

Hon Mr Laughren: The member opposite does not think they do. I think they do believe that. We are obviously going to have to monitor the expenditures of the various ministries, just as any government does. I can tell

the member that every minister in this government takes the constraint seriously, because we are determined that we are going to manage our expenses better than any other government ever has.

Mr Harris: The Treasurer does not like to go on the hook. That was a pretty good statement. It is not an isolated incident. I have raised example after example of this before. Before we adjourned last June, I raised the example of the Ministry of Community and Social Services living it up at the SkyDome. At the time I thought it was only one ball game; it turns out it was two, the way they had it.

Since I came back I have been going through the blue book. This book was released while I was away. These are the expenditures in public accounts. I identified just this morning \$2.7 million as a partial list of this type of function that went on at the Royal York; not regular travel, not a civil servant staying in a hotel room while visiting other parts of the province, but special functions, meetings, many of them at luxury five-star hotels. That is a partial list. That is only those who bill us \$42,000 a year or more and over and above the other expenditures.

Other than changing the bookkeeping procedures, which governments are very good at, can the Treasurer give me any kind of assurance that when I pick up this book next year, I will not find again, virtually on every page, millions of dollars of money wasted on facilities and food that are available either free or at a fraction of the cost?

Hon Mr Laughren: First of all, I look forward to hearing from the leader of the third party where the free lunch is that he refers to. We do not think there is any free lunch in this province. I can tell the member opposite that he does not do his cause well when he engages in exaggeration, that there are millions of dollars on every page dealing with free lunches. That is simply not the case.

I would simply assure the leader of the third party that it is our intention to manage our expenditures much better than the previous government did and much, much better than the federal government in Ottawa does.

Mr Harris: I guess that is why we have a \$10-billion deficit and the lowest credit rating in the history of the province.

COURT SYSTEM

Mr Harris: My second question is to the Attorney General. Nearly one month ago, he announced—not in this House, I might add—two pilot projects designed to speed up the Ontario court system. Under one of these projects, offenders charged with breaking and entering in North York will have the option of not going to court and merely apologizing to the victim. Instead of trying to run the court system more efficiently, the minister's approach to saving money seems to be to deny that a criminal is a criminal. This is going to be his approach to keep them out of the court system.

Does the Attorney General not realize that the signal he is sending out to criminals and potential criminals is "No big deal"? Vandalism, break and enter, shoplifting, it is no big deal. In effect, it is removing, in these pilot projects,

what tiny, teensy little bit of deterrent is left in the criminal system in this province.

Hon Mr Hampton: I think it is only proper that I try to correct the impression that has been left by the leader of the Conservative Party.

As we all know and I think everyone in the law enforcement field knows, there are a number of offences that come before the courts where many people in the field—and I am talking about corrections officials, I am talking about people who work outside of government in the corrections field, I am talking about people from the retail community for example—have said it would be far better to use alternative measures. If the accused person is prepared or if he is willing, it is far better to take him to a face-to-face meeting with the individual who has been aggrieved and to provide for restitution, to provide for an apology and so on.

What I can say to the House is that we are looking at some pilot projects on diversion and alternative measures. I can say, though, to the member that while we have a project about to start up in Peel region, his comments about a proposed project in North York are quite a way off the mark.

1510

Mr Harris: The Attorney General will appreciate that when he makes his announcement outside the House, I have to rely on the reports I get. If he is saying the Globe and Mail of September 13 quoted him incorrectly, he should say so.

We have seen an astonishing rise in crime over the past year: in 1990, 111,500 offences of breaking and entering. This past week, more Metro area businesses have been the victims of swarming attacks. Yet the Attorney General is treating breaking and entering like chewing gum in school. "You broke into my house, you invaded my privacy, you vandalized my property, but gee, you are really sorry." That is not good enough.

There is another way to decrease the cost of the court system, which seems to be the Attorney General's objective, and to reduce crime at the same time. Increasing deterrents instead of decreasing them would do this. Does he understand that his proposal is going to increase the incidence of these very criminal activities that we are trying to avoid getting into the court system or even happening anywhere in this province?

Hon Mr Hampton: I also happen to have a copy of the newspaper coverage of the non-announcement I made when I was talking to a group of judges. The newspaper coverage speaks only about our diversion project in Peel region, and it talks about the diversion of people who have been accused of shoplifting out of the court system. When the honourable leader of the Conservative Party refers to a defined plan to divert break and enter, I am sorry, he is off base.

The project we are working at most specifically is a project in Peel region to deal with shoplifters. Let me say that is a project which has the support of the retail community.

Mr Harris: And the criminal community, I can tell the minister.

The article says, "Mr Hampton said the North York project would likely involve such relatively minor crimes"—his definition—"as shoplifting, breaking and entering and vandalism." That is the article. That is the Globe and Mail. That is what was there. If he agrees with it, so do I.

This project in Peel and in North York places public safety in jeopardy. It removes almost any deterrent now from breaking and entering, from shoplifting, from vandalism. I know the Treasurer told the Attorney General to make cuts in his budget—and he is just talking to him again right now—I understand that, But is it worth putting the public safety at risk? Is it worth it to make these cuts in the budget?

Given that there is another way to save the money by increasing the deterrents so that these crimes do not take place in the first place, will the Attorney General now stand up in this House, apologize for not telling us about it first, and also apologize and say: "I'm sorry, I made a mistake. Maybe there is a better way to save money other than by jeopardizing our people in the streets, not just the shop owners, but indeed to reduce the incidence of crime in our city streets in this province"?

Hon Mr Hampton: Perhaps it would be best to answer the leader of the Conservative Party's scare tactics by addressing them head on.

The project we are working on most intensely is, as I have said, the project in Peel. It is a diversion of shoplifting. This is a letter from the Retail Council of Canada and I would ask the member to let me quote from it. It says:

"The Retail Council of Canada is delighted and grateful to have had the opportunity to contribute. We have developed a consensus with officials on the type of shoplifting case most suitable for diversion through alternative measures. We anticipate similar involvement in the design of the alternate program. At the conclusion of this work, we would be happy to commend the program to our members, to work with the government in the public launch and to co-operate in the evaluation of the private project.

"The diversion project represents an opportunity to make another aspect of the administration of justice more effective in serving both the victim and the offender. We look forward to helping you with the expeditious implementation of the project."

What we are talking about is a system of justice which will bring the offender and the victim closer together, which will provide for restitution, which will provide a more meaningful way of solving some of these social disputes. It is very clear that the Conservative Party is only interested in jail, jail, jail and spending more and more tax money.

Interjections.

The Speaker: Order. I ask members to come to order. When members have come to order, we can continue. The clock, of course, continues.

ETOBICOKE WATERFRONT DEVELOPMENT

Mrs Caplan: I rise today to ask a question of the Minister of the Environment, responsible for the greater Toronto area. We read this morning in a local newspaper that the province has ruled out any future environmental

assessment on the Etobicoke motel strip waterfront development.

I have here a letter that the now Minister of the Environment wrote in 1988. The bottom line of that letter said, "A hearing under the Environmental Assessment Act is the only forum in which they"—her constituents—"can be assured that environmental issues will be given full consideration."

I want the minister to stand in her place today and confirm that the newspaper article was wrong, that it was incorrect, and confirm in this House that she will follow through on her commitment to her constituents and to the people, not only of the greater Toronto area but of the province, that she will continue to demand a full environmental assessment for the Etobicoke waterfront development.

Hon Mrs Grier: Mr Speaker, I am referring the question to the Minister of Municipal Affairs.

Interjections.

The Speaker: Order. If members refuse to come to order, then I will simply wait until the time allotted on the clock for question period has expired.

Interjection.

The Speaker: Just wait. I have heard that before. I read Hansard.

Interjections.

The Speaker: All members will recall that while interventions are out of order, they are even more out of order when made from someone else's chair.

Interjections.

The Speaker: I shall ponder that in a more reflective moment. If members would like a response, then the Minister of Municipal Affairs has the floor.

1520

Hon Mr Cooke: The member will be very much aware of the history of this piece of land. She will remember that the previous government declared a provincial interest under the Planning Act in this province, the result of which is that this matter comes under the jurisdiction of the Minister of Municipal Affairs.

The results of the discussions that have taken place between my ministry, this government, the agencies of this government and the city of Etobicoke have resulted in a consensus around the development of that piece of land that will serve this community and this province well and that will serve the environment for this community well. This government looks at this partnership with the city of Etobicoke and the people involved as something that is very important, that will create jobs and that will create an asset for all the people of this community.

Interjections.

The Speaker: The member for Halton Centre should not make remarks when she is not sitting in her rightful place.

Mrs Caplan: First of all, I am very upset with the Minister of the Environment, in whose constituency this is. Because of her record, the people of this province have come to expect the environmental assessments she called

for in opposition to happen, now that she is the Minister of the Environment.

As the minister responsible for the greater Toronto area, as well as the Minister of the Environment, and in whose constituency the waterfront development in Etobicoke is taking place, she invited people to join her and Mr Crombie to take a hike. Some 200 people were out there walking with her on a lovely Saturday afternoon. She now refuses to answer a question. She refuses to ensure that there will be the environmental assessment she called for when she had that opportunity.

The Speaker: Your supplementary?

Mrs Caplan: The Minister of Municipal Affairs has cut a backroom deal. He has closed the door. There have been no public consultations. When is the minister going to say to the people of this province why he sold out his principles, why he sold out his commitment to public consultation and why the Minister of the Environment sold out her constituents as well as the environment on this issue?

Interjections.

Mrs Caplan: You are not going to get away with this; no credibility.

The Speaker: Order. The member for Oriole.

Interjections.

The Speaker: I must advise the member for Halton Centre in very strong terms that she should not persist in making comments from a seat that does not belong to her. The member for Oriole asked a question and I take it she would like to hear the response. A modicum of restraint would be appreciated. Your enthusiasm is appreciated.

Hon Mr Cooke: It is very difficult to accept the statement from the member for Oriole that this Minister of the Environment and this government sold out the people of Etobicoke. This area of this community has been under discussion for years and years. We decided in our ministry and our government to get on with the good plan for the people in that community.

The member for Oriole knows very well that the plan that was before the previous government is quite different from the plan that is now going to the Ontario Municipal Board. The old plan was not acceptable to people in the community, but they were going to exempt it under the Environmental Assessment Act. This government decided to look at the concerns of people in the community, to work out a plan that respects the environment and get on with it.

Mrs Caplan: On a point of order, Mr Speaker: The minister has just said that they plan to exempt this from the Environmental Assessment Act.

The Speaker: New question, the member for Waterloo North.

WAGE PROTECTION

Mrs Witmer: I have a question for the Minister of Labour. Yesterday, as the minister probably knows, the House of Commons consumer and corporate affairs committee released a report. That report recommends that the federal government not proceed with its proposal to set up

a wage claim fund financed by a payroll tax. Instead, that committee is suggesting that a better idea would be to protect employee wages by making them a superpriority over the claims of all other creditors. Priority for workers would cover up to \$3,000 in unpaid wages or sales commissions per employee.

As the minister knows, this has long been the preferred option for the Canadian Federation of Independent Business. The concept of superpriority would eliminate the need for a wage protection fund which, as we know, if created is going to be a burden for the already hard-pressed public purse or the small business owner who may be faced with a future payroll tax.

Would the minister please comment on this recommendation of the federal consumer and corporate affairs committee, and would he comment specifically on the issue of making these unpaid wages, which we all agree the workers deserve, a superpriority claim?

Hon Mr Mackenzie: I had not heard the details of the federal decision. Among other things, I would like to know whether they are going to proceed with this now. We had some serious question as to whether they would have proceeded with the previous recommendation. I would like to know also whether they have put a \$3,000 limit on it and whether severance and termination are covered. If those areas are not covered, then obviously I am not that interested in it. But I will get the information as soon as I can on the proposal the feds have made.

Mrs Witmer: Last week, the Treasurer reported \$85 million in savings because Bill 70 had not yet received royal assent. I know he was very relieved to find those savings, but he did admit to us that the \$175-million pricetag is simply going to be deferred to next year. If the federal government proceeds with making these unpaid wages a superpriority claim under the Bankruptcy Act, then there would be substantial savings for the bankrupt Ontario Treasury.

I hope to introduce today an amendment to section 17 of Bill 70 that would allow the provincial government to dissolve the employee wage protection program when the federal changes come into effect, and ensure that workers who have been affected by the recession would be compensated for their unpaid wages until such time as the federal program is in place.

Given the fact that wage protection is a federal responsibility and that the Ontario government is looking at program expenditure restraints for 1992-93, would the Minister of Labour indicate whether he is prepared to support my amendment?

Hon Mr Mackenzie: As the member will know, the word we have had in the past is that the federal government was interested in co-ordinating its activities with us if it proceeded with the legislation it had announced previously, which, if the member is correct, it is now not proceeding with.

As to whether or not we would accept the member's amendment, I think the answer at this point in time would be no. We do not know what they are going to end up with there and we do not know whether or not it covers severance

and termination. There is also a limit on it that is less than we are willing to pay workers for money that they have actually earned.

1530

WASTE MANAGEMENT

Mr Mills: I am going to ask a question in a kinder, gentler manner to the Minister of the Environment. I share the concerns of my constituents and the Durham region's waste management committee that the costs for a temporary transfer station at Brock West for Durham's garbage have escalated from \$10 million to \$50 million. Taxpayers in Durham East cannot afford to shoulder this additional burden. Can the minister tell me what action she is taking in response to this unexpectedly high estimate?

Hon Mrs Grier: I am glad to get an opportunity to comment on this issue, because I certainly share the member's concern at the escalation in costs for this facility.

Mrs Caplan: Breaking promises to her own constituents, that's what she's doing. There is no environmental assessment.

The Speaker: Order, the member for Oriole.

Hon Mrs Grier: The landfill site at Brock West, as members will know, is due to close in 1992, so if the waste from Durham is to be taken to Keele Valley, a transfer station is required. It could well be a temporary transfer station. The original estimates that the region of Durham obtained were that it would cost \$10 million. It then jumped, as the member has said, to \$50 million.

When I look at the breakdown of costs, I find that we are looking at almost \$7 million that the region has put in for contingencies and \$5 million in fees for design and studies, which I guess are administrative costs the region would get. Their estimates seem to ignore the fact that if it is built at Brock West, there are already roads, weigh scales, administrative buildings, electrical service and sanitary sewers.

The action we have taken has been to meet with the representatives of the region of Durham to go over these costs and to see what we can do to make sure they are pared down to a Chevy rather than a Cadillac, even though it is General Motors country.

Mr Mills: The minister's answer prompts me to ask two questions. Will she reconsider the need for a transfer station, and would her ministry and the region be looking at cheaper options for that facility?

Hon Mrs Grier: We in this party are certainly always prepared to look at cheaper options. As members will recall, the need for this transfer station was identified to the region of York in a minister's report that I issued under section 29 of the Environmental Protection Act. This called for the provision of a transfer station, but it also asked the region to do some technical studies so it could get approved under part V of the Environmental Protection Act.

They were also asked to put in place a community involvement liaison program so that the people of Durham could have an opportunity to comment on what the best solution to the problem was for the people of Durham. It is

very possible, and in fact I have requested, that Durham also investigate the contingencies to managing its waste in the interim until a long-term site can be found.

This is entirely an issue that we are going to face throughout the GTA.

The Speaker: Could the minister conclude her remarks, please.

Hon Mrs Grier: If in fact we can find the long-term sites for which the Interim Waste Authority is searching—and I am glad to tell the House the search is proceeding very well—the faster we can find those interim sites—

The Speaker: Would the minister take her seat, please.

HUNTING IN ALGONQUIN PARK

Mr Ramsay: I have a question for the Minister of Natural Resources. I have several concerns on his draft agreement that he released yesterday in regard to establishing a new set of rules for hunting in eastern Ontario.

First, he has allowed the hunting of moose now in provincial parks, not just Algonquin but other protected areas in eastern Ontario that come under the Algonquins of Golden Lake land claim. When you look at this agreement, which prescribes the hunting of 100 moose and 175 deer, it is open-ended in that other people of the community can apply to the band for authorization for increased harvesting in that area. If the minister looks at his agreement, he will see that is true.

I am also troubled about the wording in the agreement that really allows the hunting of other species. This is a grave concern as other species would include anything that is in the park, specifically wolves, which are already an endangered species in the park. As the minister probably knows, two thirds of the radio-tagged wolves in that area were killed last year because they strayed outside of the park and found themselves being hunted. Now in his agreement he is allowing hunting within that park of those wolves.

I would like to ask the minister if he would agree that this is open-ended, it allows for increased hunting of moose and deer and also includes the hunting of other species in Algonquin Park.

Hon Mr Wildman: I am glad the member has raised these questions. As he knows, the draft document that was released yesterday for consultation was released so that in the short time between now and Thanksgiving we can have the kinds of questions he is raising dealt with. But I do reject emphatically his suggestion that this is open-ended and that it is particularly new for hunting in eastern Ontario.

I do not think I should have to remind the former Minister of Natural Resources that in 1989 his government entered into an agreement with the Algonquins for the hunting of deer in eastern Ontario which had exactly the same limit on the hunt as this agreement does, which is 175. He will know that in that agreement in 1990 the Algonquins only took 60 deer. So for him to suggest that somehow this is new and a change with regard to deer is completely unfounded.

The member has also pointed out that there is a limit of 100 moose to be taken in a restricted area of the park. He did not point out, but perhaps should have, that there are restrictions on the use of motorized vehicles to gain access to that part of the park, on all-terrain vehicles and snow machines.

The member has raised a serious question with regard to the hunting of other species. That is an issue that has been raised in consultation with the various groups we have been meeting over the last day and a half, and we have made a commitment to those groups that we will take this issue back to the Algonquins and try to resolve that prior to the finalization of the agreement.

The Speaker: No doubt you will be disappointed to learn that this is the end of question period.

SABRINA PANETTA

Mr Mahoney: Mr Speaker, I have a point of order that I would like to refer to you for your report back to the House if you would consider it. It comes out of the acrimony that we saw in the House this afternoon, in particular to the member for Brampton North's question to the Minister of Community and Social Services.

I have waited until now to raise it because I wanted to have an opportunity to research the standing orders to give you something to actually refer to rather than many of the points of order that simply float in the air.

I refer to page 8 of the standing orders, sections 23(h) and (i), where (h) says that a member should not make allegations against another member and (i) that a member should not impute false or unavowed motives to another member.

It is my respectful submission to you, sir, that in her answer, the minister impugned the motives of the member for Brampton North in the sense that she either directly or indirectly, depending on how you interpret the words in Hansard, accused the member of raising the issue of this unfortunate situation with regard to the young lady, who is now I understand being allowed to go home as her last wish. The minister suggested that the member was doing it for reasons that I would suggest would be considered less than honourable in the public. I know that is not the case, and I am sure you would know and all members, including the minister, would not wish to leave that kind of suggestion on the floor.

I would respectfully ask that you review the transcripts of Hansard today and report back to this House, and if you do indeed find that the minister has created some cloud or has impugned in some way the integrity or the motives of the member for Brampton North, that you would ask the minister to withdraw and to apologize to the member.

The Speaker: To the honourable member for Mississauga West, I appreciate the point of order which he has drawn to my attention. Indeed I shall review Hansard and take into account the standing order which he referred to, as well as a number of other background materials. Thank you.

1540

PARLIAMENTARY PROCEDURE

Mr Elston: On a point of order, Mr Speaker: Earlier in the day I raised a point of privilege which spoke about interjections coming from under the gallery seat. Mr Chuck Rachlis had intervened by shouting certain things, or at least speaking certain things towards one of my colleagues, one of the caucus members here. I would ask, Mr Speaker, on the point of order, that you look into the possibility of having him excluded from this House, because he is here by special permission and his duties do not allow him to be making statements that impugn the motives or suggest that a member do certain things that are not in the public interest.

It seems to me, Mr Speaker, that if you were unable to hear, we do know that members of the Premier's staff who were there sitting under the gallery would have known full well what Mr Rachlis said. Upon my raising the issue, Mr Rachlis removed himself at least for the day from the House. But I would ask, if you are unable to investigate, that we require the Premier to come in here and indicate what his investigation of the behaviour of his staff has resulted in, and if it is confirmed that Mr Rachlis indeed was heckling members of my party or in fact any party from under there, and attempting to dissuade us from doing our obligatory, democratic job, that he be removed fully, at all times, from this chamber. This chamber, Mr Speaker, is under your control on behalf of all of the members. There is no room for some member of the Premier's staff, whether he thinks he is privileged or not, to be shouting at our members.

I think, Mr Speaker, if you could investigate, first, whether or not you can determine that these events occurred, that would be of assistance. If you are unable to do so, you should require the Premier to come before this House and explain what his investigation has told him. I know by name at least two or three of the people who were sitting beside Mr Rachlis, and I am prepared to give those names to you so that you can seek out whether in fact he made the interventions. My view is that he did, and it seems to me, Mr Speaker, that you therefore have the authority to rule that he not be allowed to return to this place and do anything close to trying to influence the course of debate and the manner in which we do our job as opposition members.

The Speaker: To the honourable Leader of the Opposition, first, you should know that at the moment you raised this matter with me, in consultation with the Sergeant at Arms, we attended to it immediately. Further, I would be most pleased to take a look at the circumstances, at Hansard if it can be of any assistance, and speak to others. I will, as much as is within my power and scope to do so, deal with this matter.

The standing orders are in fact quite clear with respect to non-members who are by invitation present within the chambers, so I will deal with this matter and am quite pleased to do so.

PETITIONS

OATH OF ALLEGIANCE

Mr J. Wilson: I am privileged to present a petition to the House today that reads as follows:

"Whereas the Queen of Canada has long been a symbol of national unity for Canadians from all walks of life and from all ethnic backgrounds;

"Whereas the people of Canada are currently facing a constitutional crisis which could potentially result in the breakup of the federation and are in need of unifying symbols;

"We, the undersigned, respectfully petition the Legislative Assembly of Ontario to restore the oath to the Queen for Ontario's police officers."

That is signed by a number of good residents in my riding of Simcoe West, from the village of Tottenham and the township of Tecumseh, and I too have affixed my name to this petition.

REPORTS BY COMMITTEES

STANDING COMMITTEE ON GOVERNMENT AGENCIES

Mr Runciman from the standing committee on government agencies presented the committee's 14th report.

The Speaker: Pursuant to standing order 104(g)(11) the report is deemed to be adopted by the House.

ORDERS OF THE DAY

House in committee of the whole.

La Chambre en comité plénier.

EMPLOYMENT STANDARDS AMENDMENT ACT (EMPLOYEE WAGE PROTECTION PROGRAM), 1991

LOI DE 1991

MODIFIANT LA LOI SUR LES NORMES D'EMPLOI (PROGRAMME DE PROTECTION DES SALAIRES DES EMPLOYÉS)

Resuming consideration of Bill 70, An Act to amend the Employment Standards Act to provide for an Employee Wage Protection Program and to make certain other amendments.

Suite du débat ajourné sur la motion visant la deuxième lecture du projet de loi 70, Loi portant modification de la Loi sur les normes d'emploi par création d'un Programme de protection des salaires des employés et par adoption de certaines autres modifications.

Section/article 16:

The First Deputy Chair: Further consideration of a motion by Mr Offer that clause 65(1)(rb) of the act, as set out in section 16 of the bill, as reprinted, be struck out. Continuing debate, further comments?

Mr Offer: I have some further comments on this particular amendment. I think all members of the Legislature should be well aware that what this amendment does is say that if there is to be any change in this legislation in terms of the monetary amount, it should be made by legislation, coming through the legislative process, as opposed to regulation.

As we went through some of the debate yesterday, it surprised me to see two things happening.

The first is that no member of the government side saw fit to talk about the need for rejecting this amendment. No member of the government stood in his or her place to say why this amendment could not be accepted. All we heard from the other side of the House was a deafening silence. "Let them speak, let this amendment run its course and then we will vote it down."

The second area which concerns me is why the government is so afraid of having any further change to this bill coming back to this Legislature. We all recognize that one of the most important aspects of the bill is the monetary amount. We can talk about all the technicalities of the bill. We can talk about some of the interpretations of the bill. We can talk about some of its applications and implications. But the fact of the matter is that when people look at this bill, they say, "What is the entitlement to, and of, an employee?" They see the \$5,000 and that is what we talk about. That is what the government talks about in its press releases. They talk about a fund which is designed to provide dollars to employees, the victims of recession, for their wages, vacation pay, termination and severance, for which they will receive, after proven, a sum, a figure of up to \$5,000.

This amendment says that if there is to be any change to that \$5,000 it must come before this Legislature, be debated in this Legislature and, in terms of our rules of procedure, go to committee hearings. As a result, the members of that committee may, as they have every right to do, order public hearings on such changes so that those members, duly elected and appointed to a standing committee of this Legislature, will go out and travel to different areas of the province to listen to those people who want to share their opinion on any change.

1550

Let's remember that the way the legislation is worded is that the only change that could be made to the \$5,000 is upwards. The legislation does not read that any change to the \$5,000 is through regulation. It reads, "Any change increasing the \$5,000 is through regulation."

The question we have to ask ourselves is, what type of message are we sending out? We on this side know of the government's right to prepare and introduce legislation. They know of our right to oppose it, agree with it or maybe do something like say that parts of the bill are fine but other parts cause us concern. We have that right. The members opposite also have that right, but when they do it by regulation, what they are doing is taking away that right.

I see the time now is 3:50. It was but two hours ago that a great many points of order were brought forward which spoke about our rights as members in this Legislature. We spoke about ministerial statements being made outside this Legislature. That is an important area. What does it do to us? We have been elected not only to represent the interests of our constituents but also, indeed, to comment on bills of a public nature. When decisions and statements are made outside the Legislature, it takes that

right away from us. It takes away that ability of ours to talk about and respond to initiatives of the government.

Backbench members of the government might not think that is terribly important, but let me tell them something: It is important because it whittles away a little bit at what we were elected to do, it chips away a little bit at what some of our responsibilities are, it erodes a little bit some of the things we said we wanted to do when we were knocking on doors asking for people's support.

Interjection.

Mr Offer: The government member for Oxford: I think it is important that we recognize, and certainly I know, that there are many hundreds of thousands of people who watch the parliamentary channel. They receive a great deal of information about some of the goings-on in the Legislature, and it is interesting that as we are talking about a bill which really is keyed and zeroed in on the victims of the recession, which talks about the principle of helping those who maybe for the first time in their lives are without a job, the member for Oxford has seen fit to interject.

It would be interesting to see if that same member—and I will be very frank, I did not catch the interjection; I just recognized there was one—will stand in his place when he has the opportunity to speak to this Legislature and his constituents as to whether he feels that changes to this bill should be made by regulation as opposed to legislation. It will be interesting to see if that member will send out a message to his constituents that doing it by regulation is all right with him, so those business groups and associations, the chambers of commerce, boards of trade, the people who have lost jobs, the people who are looking for some type of input into any change in legislation will be able to come to his constituency office.

I am looking forward to hearing the concerns of the member, because he has seen fit that it was certainly all right to make certain interjections. When the floor is his, when he can say something which is part of Hansard and can be used by him in his own constituency, when he can send out a message to his constituents that it is important for him, as the member for Oxford, to vote in favour of this amendment because it permits him and gives him the opportunity to make certain his constituents will be heard prior to any change being made, that, I think, is a very important message.

But if that member does not stand in his place and say that, then another message goes out to his constituents, and that message is that it just is not that important; if there is to be any change, if there is to be any amendment or alteration to the \$5,000 limit, he does not really have to listen or worry about the impact it has on his riding.

I know there is not a member in this Legislature—there is probably not a member in any provincial Legislature or throughout the House of Commons—whose constituency has not been severely hit by the recession. I do not believe there is an elected politician in this country, at whatever level, who has not heard, day in and day out, very tough, heart-rending stories about people who had jobs for many years, who worked, who provided, and for the first time in

their lives are out of a job, and not only out of a job but without any real opportunity to acquire a new job because we all know that the recession has hit particularly hard in this province.

We know in this province that the number of bankruptcies is up dramatically and there does not seem to be any levelling off. If people say the recession is over, I do not think they can convince those who are still suffering bankruptcies, those who are out of work as of yesterday, those families which for the first time are in real need. For many people this recession is not over. The facts and figures may say something, but in real terms there is something much different. What we are saying is that if this bill has as its principle an attempt to try to help those, then maybe the members of the government should not be concerned about having any change to this bill come to this legislative process.

What is the problem with debate? I have spoken on this matter at some length. I think we all recognize that, but I feel very strongly about this. I do not like it when matters of real importance to a piece of legislation are able to be amended by regulation. I recognize that in every piece of legislation there is the need for some aspect to be done and changed through regulation. I understand that. I know that. But when we are talking about changing the \$5,000 limit, we are talking about something which is much more fundamental than an ongoing technical requirement to be able to change legislation on a periodic basis.

We are talking about a change which will have a direct impact on the cost of doing business. We are talking about changes which, when done by regulation, we will not know and be able to appreciate the impact of. We are talking about what we do here. We have the right to debate these things. We have the right to vote for or against. By doing these things by regulation, they are taking away our right to debate. They are taking away our right to stand up and vote in favour or against. They are taking away our right to show to our constituents what our position is on a matter fundamental to a piece of legislation.

1600

When members of the government feel those types of rights are not important or are insignificant, when members of the government feel it is really of no concern that a person be able to debate and stand up and vote and be counted, then we have a major problem in terms of what we do here and in terms of how we are able to tell our constituents we are able and ready to listen to their concerns. When it is done by regulation, they will be suspicious of our real ability to do that. They will be right—let members make no mistake about it—they will be right when they come into our constituency offices and say, “I don't think what I am saying to you will have any real impact on this change to the legislation.” They will be right, because that decision and that discussion will take place only around the cabinet table.

There are many more people in this province than the 20 or so who sit around the cabinet table. There are an awful lot more people who want to share, either in this Legislature or through committee, what any change means in their constituency in terms of jobs, maintaining those

jobs and maybe expanding those jobs. We are taking away that right through this legislation. The amendment brings that back. The amendment says:

"We know that if there is going to be a change, there will be an impact. First, we on the government side are ready to defend it. Second, and probably of more importance, we are ready to respond, to listen, to be aware, to be sensitive to the impact of that change. We on the government side feel comfortable in being able to defend that change to constituents, in the Legislature and in committee."

When one takes away that right, then the message being sent out, no matter what their speeches within their ridings and elsewhere say, is that it takes away the right to be heard. It takes away the right for members opposite to listen to the impact of change. That is a very important aspect of what we do here. I hope the members on the government side will recognize that one of the things they have been elected to do is to listen to what the impact of change may be. One of their responsibilities is to make certain that where it is possible, it will be necessary to open up in terms of any impact of change.

We have here, as I said earlier, an opportunity to quell some of the concerns that have been raised by many people over this legislation. I do not think the government members should think for a moment that the general public thinks everything in this bill is perfect. They do not believe that for a moment.

Mr Fletcher: They love us.

Mr Offer: The member for Guelph, when I was talking about some of the difficulties in the bill, some of the concerns with the bill, said, again through interjection, "The people love us." That is what he said. I think he said that twice. The member of the government party said, "The people love us." Now, that exactly makes the point. I was ready to just move on to another area. The parliamentary assistant chuckles.

The First Deputy Chair: Order, please. I ask the member to return to the focus of the motion that he himself has presented to the House. I would appreciate that.

Mr Offer: It was as if you were reading my mind, Mr Chair, because that is exactly what I am going to do. This amendment has two lines. That is all this amendment is. This amendment has two lines in it, but it means that any change to the bill must go through the legislative process. It means that those people who have concerns with some aspects of this bill now, and potentially in the future, will know and feel secure that if there is to be any change, it will go through the legislative process.

The member for Guelph said, "The people love us." That is exactly the concern raised by the people of this province. That is exactly what they are concerned about. Let me make it clear: Not everything in this bill is right. Not everything and every word and every intention in this bill is proper. There are improvements that can and should be made to this bill. For a member of the government side to think that because in his opinion everybody loves them, this bill is now perfect is exactly the concern that has been heard throughout the province. There are improvements that can be made.

Interjection.

Mr Offer: I see there was another interjection made by a member. The parliamentary assistant quickly turned her head to make certain the member making the interjection would no longer make the interjection. Those government members feel it is so important to interject when a point is being made, but when their turn comes to stand in their place to be counted and recorded in Hansard in this Legislature, and their committee members, they are Velcroed to their seat. There are belts on the seats so that those members just cannot rise. The only time those members can rise is when the little nod comes from the parliamentary assistant.

I almost said the "Minister of Labour," but I did say the "parliamentary assistant." The parliamentary assistant has done the real work for her government in this bill. The Minister of Labour, as I believe attendance records will show, has not been there as long as the parliamentary assistant.

1610

Mr Mammoliti: What is wrong with the parliamentary assistant doing some work? Is there something wrong with that?

The First Deputy Chair: Order, please. The member for Yorkview will be silent. The member for Yorkview is doing this House no service by this kind of interjection. The kinds of interjections that are taking place are infringing on the debate that is taking place and doing the House no service. Can we have the member continue with his remarks. I ask the member to focus on the issue and not to stray and have these interjections.

Mr Offer: Thank you very much, Mr Chair, but I did think it was timely and appropriate to truly compliment the member for Sudbury on the work she has done in her role as a parliamentary assistant. I appreciated working with the parliamentary assistant and with the Ministry of Labour officials. They were helpful on any questions we had.

I still have many concerns with the piece of legislation. I recognize that the parliamentary assistant is telling her members not to make comments. I do not believe she is saying this, but the members are making interjections while I am trying to make my points of concern. I am quite convinced that the parliamentary assistant is using the full range of her powers to muzzle members making comments on this piece of legislation which is going to affect their constituents. It will affect those constituents who are the victims of the recession and it will affect those constituents who are not the victims of the recession. It will affect all the constituents.

Hon Mr North: Your recession.

Mr Offer: I think it is important to note that when I spoke about the recession, the Minister of Tourism and Recreation interjected. I was talking about the concern we had about the recession. I laid no ownership on the recession. I was talking about the concerns that we, the opposition party, had over the 300,000 jobs that have been lost in this province. Over 50% of those jobs have disappeared. For many people it is the first time in their lives that they are out of work. We have concerns about some aspects of

this bill, and I was doing that without any degree of partisanship or ownership. In fact, if memory serves me correctly, the Treasurer himself, in his budget statement to this Legislature, said this recession was the worst since the 1930s. I think members might be able to find that in the budgetary notes.

The Minister of Tourism and Recreation saw fit to interject by saying it was my recession. That does nobody who is out of a job any good. The minister's bantering about who owns or does not own a recession is not productive. It does not help anybody who is out of a job in his riding, as it does not help anyone in my riding. I see the Chair is looking at me. I would like to get back to the amendment. Oh, there is a point of order.

Mr Hope: On a point of order, Mr Chair: I am not trying to show you the way of your job, but I think it is important that the member is not even making reference to the bill as he carries on about the recession and refers to people who are suffering under the recession. As he becomes repetitive in his speeches, I think it is important to note that during this time frame there are people waiting for this bill who are suffering. I make reference that he refer back to the bill, instead of talking about other members.

The First Deputy Chair: I point out to the member for Chatham-Kent that the last comment the member for Mississauga North made was to recognize the fact that the Chair was giving unspoken signals to return to the focus of the issue. Indeed, that was the intent of the member. Let's see where we go from here.

Mr Offer: I hope the member for Chatham-Kent, having been able to stand on a point of order, will also find it proper to stand on this amendment—I now have mentioned that word—and let us know and his constituents know what he thinks about changes being made to a bill without its going through the legislative process.

The challenge is made to him. The question will be whether he is ready, able and willing to respond to that challenge. We will listen and wait to see if he has an opinion on whether he thinks he should have the opportunity to speak to changes to a particular piece of legislation.

We will also hope that the Minister of Tourism and Recreation finds that it is in the interests of himself and his constituents to again let us know what his position is on whether he should be able to speak to any changes to any particular aspect of the legislation.

But as I was speaking about this amendment, what we are talking about are our roles, rights and responsibilities as members of the Legislature. What we are talking about is much more than this particular piece of legislation. It is absolutely applicable in an amendment to the legislation, but it moves much further. It moves to the fundamental basis upon which we were elected.

It moves further than any one act can ever imagine. It speaks to all of the thousands of doors which we knocked on. We knocked on doors and said, "We hope that you'll be able to support us and we will represent your interests."

Interjection.

Mr Offer: Now we have another interjection by the member for Guelph, who sees fit only to interject, secure

in the knowledge that those interjections will not be recorded in Hansard but insecure in terms of whether he should in fact send a message to his constituents. Is he ready—

The First Deputy Chair: Order. I have to congratulate the member for being able to overcome points of interjection and stick to the issue and the focus of the debate. I would encourage the member to remain focused and to hopefully ignore some interjections that are taking place.

Mr Offer: Thank you very much, Mr Chair. I try to do that. I have only commented on a few of the interjections. I just do not have that ability when I am in the middle of speaking to an amendment which is so important in the particular piece of legislation—when members of the government are moved to interject, it somewhat knocks me off my pace. But I will try to ignore the interjections by the members of the government, just as we try to ignore them.

The other aspect that we are talking about in this amendment is accountability. At the end of the day, people are going to be able to check up on the way in which we voted, on what we said when we said it, how we said it and what it meant to us, what was important to us. That is one aspect of accountability. It is not just financial. It is not a balance sheet. It is not dollars on one side, assets on one side, debts on the other.

It is really a listing of what they have done here in their places while they have had the privilege and honour of representing particular constituencies. All their constituents will have that opportunity to check up—and I do not say that in any critical sense—but to observe what it is they have done, what it is they have spoken about, what issues moved them, how they voted and why they voted.

When they move things from legislation to regulation, they take away the debate. They take away the vote. They take away the accountability. They take away the right that their constituents have to see what it is they did here while they gave them the privilege of being here.

1620

The First Deputy Chair: Order. Maybe once in a while the member could make some reference to the amendment that we are addressing. That would be very helpful.

Mr Offer: This is what the amendment is all about. I know some of the government backbench members say, "Well, is it?" The fact of the matter is that when things are done by regulation, they are done around a cabinet table. You only hear about them through a media report. You do not hear about them anywhere else. When things are done by legislation, it comes here. We are able to do this right now, and that is accountability. That is exactly what this amendment is all about. Yes, it applies to this particular piece of legislation, but fundamentally it applies to a much broader degree. It applies to what it is that we do as members.

I would hope that members of the government side who made interjections will now have the opportunity to stand in their place and to say for Hansard and for their constituents that they support this amendment. Because to support this amendment is to support consultation. It is to support debate. It is to support people being part of a process.

Not to support it is to shut the door on debate. It is to shut the door on consultation. It is to shut the door on people wanting to be part of the process. They have found it quite easy to make interjections while I am making this point. Now will be their opportunity to make their point, recorded in Hansard for them, for their constituents and for the whole area of accountability. Let us be very watchful as to whether in fact they do stand and speak on this amendment. If they do not, they send out the message that it just does not matter; that accountability, that debate, that consultation is insignificant in their opinion.

That is what I say to them. The Minister of Tourism and Recreation is looking at me now, and as I sit down after making this speech, then it will be his opportunity to stand up and make his views known, as it will the member for Guelph and the member for Chatham-Kent. Now is their opportunity to put in Hansard the interjections that they were so freely able to make while in silence and in anonymity.

Mr Hope: The invitation was there and I kindly accept it. I will try to stay with the amendment as long as the interjections stay low.

We talk about this piece of legislation that we are dealing with, and the amendments and the prolonged speeches we have just listened to, running out of words, having used members who are making interjections, and we made sure Hansard was getting it in there. But I think it is very important for the people who are listening to this debate and those individuals who are out there waiting to receive this cheque, there is a very important number they must be calling in order to make sure that they can get this cheque. The number is 416-826-7200.

Mr Callahan: On a point of order, Mr Chairman: Looking at the clock, I presume that the member who is presently standing has entered into the debate. You had called for questions and comments. I had risen on that point and not been recognized. If in fact that is the case, I submit that I should have had an opportunity to make comment.

The First Deputy Chair: I would have to point out to the member that we are in committee of the whole House and we are asking for comments. The member for Chatham-Kent may resume the floor.

Mr Hope: Just to reiterate the very important number that goes along with this amendment, 416-826-7200, which is the critic's phone number, so that these people will be able to receive their cheques come this fall. As we have listened to the presentation put before us, it is amazing that the opposition has referred to this amendment. I refer to a number of pieces of legislation dealing with Bill 162, which was introduced by the Liberal government, which affected workers and did not give them the right to debate regulations. There is also another bill, Bill 208, which dealt with the health and safety of individuals.

The very important objection to the amendment that is being put forward is, we were talking about financial difficulties that people are being faced with today because of the recession caused by whoever. I think it is important that the amendment we are dealing with says that we have to come back into this House and debate that issue again

every time. We are witnessing the prolonging of debate using a member's objections as part of his speech. Do we want to get back into that or do we want to try to assist those people who need help during this recession?

Due to no fault of their own, I must add, the people we are referring to in this piece of legislation, these people who have been waiting for a long time—this amendment just prolongs that as we see the tactics that are being performed here in the amendment that says it must go back into the House to be debated again.

These are the kind of tactics we are using, and at the same time with two tongues we are talking about protecting those individuals, those workers in our community, with it. But it is amazing. When the official opposition used to be in government, it had a different view and perspective of workers and protection for their other counterparts. Today they talk about protection with a way of twisting the protection to make it look like the worker is the victim of all this.

The invitation was there for us to speak against this amendment and I am doing that. I feel it is very important that we address the needs of those individuals who have been affected through no fault of their own by this recession, made in Canada, and I think it is very important that we move on with the debate to make sure we do not keep using the objections that people are putting forward to make part of a speech. There are a lot of words. It is important that we get back.

But talking about the ability for freedom of speech, I believe through this government and some of the comments made around the amendment, that we as individual members of our communities will not have a say. I think it is very important to understand that through this government we do have accessibility. Accessibility is through those ministers who are responsible for making sure that changes can happen to help those who need help. It is very important when we are talking about a specific piece of legislation—dealing with this one—that the power reside in the hands of the minister of listening to the concerns of those individuals on a day-to-day process.

If we were to wait and introduce changes in this House—we introduced this bill last session and we are still at this bill while families are still waiting for their earned income to come from this bill that guarantees it. Do we want to get back into the process of waiting and waiting and seeing opposition tactics, or do we want to try to address those people, those families, those children who are part of those families, being affected by political opposition—

Hon Miss Martel: Opportunism.

1630

Mr Hope: Yes, opportunism as my colleague has said. It is just pure opportunism. That is all it is. What we have to do is make sure that when we are talking about the ability to service the people in our communities, the ability to service the people of Ontario—

Mr Offer: On a point of order, Mr Chair: The last comment made by the member for Chatham-Kent, I believe, imputed motive on my part, and one of the aspects that member spoke about was opportunism. I hope the

member takes some time to think about what he has just said because this was a bill which was first made public, not as a bill but as a principle, last year, about 12 months ago. This bill was not introduced by the member's government in the month of October, November or December. It was not introduced until the following session. There was no opportunity because of the rules of this parliamentary process.

Mr Hope: What is the point of order?

Mr Offer: This is right on the topic because he has imputed motive. He has stated that our discussion is something based on opportunism. That is not the case. In fact, his government did not see fit to introduce this bill until last spring. The first opportunity we as legislators had to discuss this bill in committee with the people of the province was this summer. This is the first opportunity since this bill is in committee of the whole. We are taking, my goodness, a whole two days to discuss a bill which is such incredible importance to the people of this province.

The First Deputy Chair: Order, please. The member will take his seat. I think we have heard the point of order. It is a fact that a member cannot impute false or unavowed motives to another member. While I did not hear the member for Chatham-Kent do so, I will give the member the opportunity, if it is his considered opinion on reflection that such was the case, to withdraw such remark.

Mr Hope: I must reiterate the number is 416-826-7200, which is a very important number in order to make sure that we get these cheques to the individuals who require and are owed this money. As I reflect on understanding—and they talk about consultation—there are a number of people in my riding who are anticipating and waiting for redress.

I remember during the presentations, as we reflected, an individual from my riding who made a presentation to the committee and I believe—I stand to be corrected—his comment was that \$5,000 was not enough money because people were owed more money.

I think it is very important. This is where we have to reflect on the needs of the people in our communities. Consultation does not always take place in the committees. It takes place in our constituency offices. I have heard reference to closing the doors of the constituency offices. The doors of our constituency offices are not closed to the people.

As we introduced the wage protection program in the throne speech, I have been talking to a number of my friends and neighbours who have been affected by it. It is very important to note when we talk about this amendment the opposition critic has put forward that it is talking about prolonging pain and suffering that is occurring for a lot of people in our community, making it hazardous to those individuals, as we hear the cry about the increasing welfare costs for those people in a lot of our municipalities.

By introducing this amendment we reintroduce these amendments back into the House and we are into prolonged debates of non-substance. I think it is very important when we talk about the amendments that I as a member and any member of this Legislature may go to the

honourable minister, who, I must add, is very open to a lot of dialogue around people both from business and labour, and anybody who is out there in the community has access to dialogue with such a fine minister.

I think it is very important if I need to prolong dialogue, if I need to bring dialogue to the minister to emphasize to him that the amount that is there or some piece of the legislation that is there may hurt the individual, the worker or the company, for instance. There are a lot of companies I have dialogue with, and there may be some areas we may need to amend as we discover areas of confrontation or areas that are not servicing the people of our community properly.

I feel very comfortable walking up to the minister, talking to the minister and hearing a number of other concerns, having the ability to do that. We are not back in here prolonging it, saying, "Oh, you made a whole bunch of errors and this piece of legislation is garbage," and we are back into the whole rhetoric.

I think it is important that we restore the ability, especially in this piece of legislation. Do not get me wrong. If there were some other pieces of legislation, I would probably stand and say—I know our government would not do it—where there needs to be more open dialogue around it. I know the minister would bring that out and make sure that it had to be a part of it. We are talking about day-to-day victims in our communities. The people being affected by this are men and women who may never have lost their jobs before, who may have worked in the workplace for 20 or 25 years or more. They may owe a lot more money to them.

When the bank says you owe \$10,000, I am sure it will call the note and say, "You have to pay." This is what these workers are asking for, money that is owed to them. It is not a gift.

There was some heckling. I have to read this. There has been a special announcement here, because I hear the heckling from the other side that says I have been told to sit down and be quiet. I must say that the minister himself never stops us from talking. He feels it is very important to have open dialogue, but what he wanted me to add to this dialogue was a new number. It is area code 416-325-7151.

It is very important that people put the message across to the opposition member that it is very important to make sure that the understanding of this piece of legislation—which we have been locked up with for so long, I must add, but I want to keep referring to the amendment because there have been a whole lot of ideas sent out to the general public who are watching, probably drawing more attention than opposition members are.

I think it is very important, when we are talking about financial strains that are happening to the people of our communities, to give the minister the ability to make changes where he feels they are appropriate and where the colleagues and the members opposite will have that opportunity to put into that piece of legislation.

I think it is very important that there were other pieces of legislation the former government had introduced that affected workers and we never had the right—when we talk about health and safety, workers' compensation, they

never gave us the right—to talk about the rights of those individuals.

I thank you for your indulgence, Mr Chairman, as I tried to keep on topic, and I know that I will support the minister in defeating the amendment that is being put forward by the opposition member.

The First Deputy Chair: The member for Mississauga West.

Mr Mahoney: Thank you very much, Mr Chairman.

Mr Hope: Mississauga: I'm going home.

Mr Mahoney: This is a Mississauga day. No, the honourable member can stay. I suffered through his nonsense, so he can stay.

I just want to point out one thing to the previous speaker before I launch into my very well researched and well-thought-out comments on the amendments by the good member for Mississauga North, and really the entire legislation.

I guess it is only because he was not here, Mr Chairman, you were here and the minister responsible for native affairs was certainly here. For the member to say there was no opportunity to talk on Bills 162 and 208—

Mr Hope: Ask who made the presentations.

Mr Mahoney: The member should ask the minister, the member for Sudbury East. I can remember her in the back row up here, screaming—I wondered if she was going apoplectic and was going to hurt her vocal cords—at the Minister of Labour over Bill 162 for weeks.

I remember attending meetings in my own riding in the basement of St Francis of Assisi church with this orchestrated, whipped-up group of people set up by the honourable minister, the then Labour critic for the NDP, who filled the church basement with all these people to attack my colleague the member for—wherever he is from—York Centre. He is out there doing other things. To suggest and to reiterate again that there was not an opportunity to speak—what were we being subjected to?

1640

I would like to go back in time and get the Hansard records that would show how much time the member for Sudbury East wasted in this place. Oh, her comments. If you want to hear repetitive discussion—I understand she learned her skills on her daddy's knee. I understand that.

Ms S. Murdock: Cheap, cheap.

Mr Mahoney: That is not cheap. I learned mine on my daddy's knee. It is a good thing that our daddies taught us something.

The First Deputy Chair: Order, please. The member for Chatham-Kent will be seated.

I want to bring the committee to order. Certainly what is happening in this House at this time does the proceedings of this committee no justice at all. It would help a great deal if the member who had the floor were to focus his comments on the issue. It would also help if members of the government benches allowed the member to get his points across.

Mr Mahoney: Mr Chairman, I wonder if you could help me. I have a number of points I want to raise with regard to the amendments.

Interjection.

Mr Mahoney: I would like to get on with it, but you can appreciate that when the member for Chatham-Kent stands up and says there was no opportunity to speak—

Mr Hope: There was not.

Mr Mahoney: Mr Chairman, you were here. Maybe you could correct the record for me. Do you recall the debates on Bill 162 and Bill 208? He is trying to perpetrate a fraud upon the public in the province of Ontario.

Ms S. Murdock: You are imputing motives now.

Mr Mahoney: No. I think he is. He is trying to suggest something, Mr Chairman, and I would like you to correct the record.

The First Deputy Chair: Order, please. I would appreciate the member reflecting on his remarks. I do not think you can impute false and unavowed motives to another member. I would ask you to reflect and withdraw those remarks.

Mr Mahoney: I will withdraw those remarks, but I ask again for some guidance from you, Mr Chairman, because if we are going to allow members, who then leave, to stand up in this Legislature and impute motives to my colleague and suggest that our government, when we were in government, did not allow an opportunity for dialogue on bills, when I know in fact we did because I sat through the dialogue, I sat through the debate hour upon hour, you can understand my concern when these kinds of statements are made.

Mrs Sullivan: We travelled throughout the province, and the Minister of Labour was there.

Mr Mahoney: And the Minister of Labour was very vitriolic in exercising his democratic rights and priorities in this Legislature.

Hon Miss Martel: That's how much he cared. In six weeks of travel, he never showed up once.

Mr Mahoney: The minister, let it be known for Hansard, said there were six weeks of travel on Bill 162. The member for Mississauga North has informed me that the government actually voted against travelling on this particular bill in a recorded vote.

I suggest that I could indeed rest my case. The nonsense being put across by speakers opposite suggesting that we refused to listen, that we refused to allow dialogue, is totally contrary to the facts. The facts here would indicate that this government on this bill, Bill 70, refused to travel around the province.

Ms S. Murdock: We and the Conservatives decided not to travel.

Mr Mahoney: The Tories decided they did not want to travel either?

Ms S. Murdock: That is right.

Mr Mahoney: What an unlikely pair of bedmates that would make; the Conservatives in bed with the Minister of Labour. Totally amazing.

The First Deputy Chair: Order, please. Interesting as this backdrop may be, I would certainly appreciate it if the member could again focus on the amendment before us and speak to the substance of that amendment.

Mr Mahoney: Mr Chairman, I would like to do that. I think it is important. I would just leave that part of my remarks by saying that it is absolute nonsense for any member over there to stand up and say that we were not prepared to allow dialogue, after six weeks of hearings, followed by substantive filibustering in this place by the now Minister of Northern Development and Mines on Bill 162.

Let me also mention Bill 208, if I might, as it does relate to Bill 70 in the same sense of process, because ultimately that is what we are talking about here. The member has put some amendments forward on Bill 70. Members will recall the first one, which I believe was rejected. It was that directors of small business, 50 employees or less, are exempt from this legislation. What do we get? We get negative reaction. It is all set down. They have their seals all lined up. The decisions have been made. They are going to ignore that amendment.

I think the minister's comment was that he does not care about the size of the business. It is obvious we could extrapolate from that and suggest he does not care, nor does his government care, about the effects of any piece of legislation, notably Bill 70, on small business. I do not know what other conclusion to draw from that. That has been rejected.

Then there was another amendment that said—

The First Deputy Chair: Order, please.

Mr Mahoney: I am coming to the amendment.

The First Deputy Chair: I would remind the member for Mississauga West that the comments he is making are not relevant to this particular amendment. I think if you could look at the amendment and speak to this amendment, we would all be better served.

Mr Mahoney: The third amendment put by my colleague is the amendment we are dealing with. I was on the second amendment just to show members the pattern that the minister and the government have established. I was simply trying to build an argument and a case that would suggest that this minister, this parliamentary assistant, this group of trained seals, are not prepared to listen to any of the amendments put forward. They have already made that decision before we put them forward.

To satisfy your needs, Mr Chairman, I will go through the amendments in reverse order and deal with the amendment here, which is that any change to compensation levels should be dictated by legislation and not by regulation. It seems to me if that is dealt with in the same sense as the amendment I referred to on small business and the second amendment about company directors, they should be personally liable for lost wages only if they failed to exercise reasonable diligence in their position. They have ignored the first amendment, they have ignored the second amendment. They can understand perhaps why we go on at some length over these issues—because we understand they have already made their decision.

Ms S. Murdock: In committee.

Mr Mahoney: What is this Legislature for then? Perhaps we should not even bring bills. Maybe the new way of doing business under the Premier's socialist government would be to eliminate debate in the Legislature and simply allow the decisions to be made in committee.

Mr Chairman, would you think that is appropriate? I ask you for your learned opinion, in trying to address my questions through you.

Mr Mammoliti: Mr Chairman, on a point of order: Those last comments about the procedure in the House have nothing to do with the amendments we are speaking about. Please rule on it. I would appreciate it.

The First Deputy Chair: I thank the member for his advice and I shall continue to rule on precisely that, as I deem fit. The member may continue.

Mr Mahoney: I believe that actually makes my point, because what I believe we are talking about here is due process, democracy and the legislative process when we bring amendments into the Legislature. The member from Bowmanville thinks it is not appropriate for me to speak—

The First Deputy Chair: Order. The member for Yorkview.

Mr Mahoney: Oh, his riding is wrong. He lives in Bowmanville but he is the member for Yorkview. I am sorry. I stand corrected.

The point of the matter is that it is not only our right, it is clearly our responsibility to address all the amendments on the floor of this Legislature, yet we have members opposite standing up imputing motives of members in the opposition, imputing motives of the former government on good legislation, rising on points of order suggesting that I do not have a right to speak in this manner.

1650

The First Deputy Chair: Order. The member for Mississauga West will be seated.

Mr Mammoliti: On a point of order, Mr Chair: Let's straighten this out once and for all, because I am sick and tired of this Bowmanville stuff. I moved back into my area recently. I am sick and tired of people saying I live in Bowmanville. I do not live in Bowmanville.

The First Deputy Chair: Order. I have listened. I inform the member that this is not a point of order. I will ask the member to continue his comments.

Mr Mahoney: I am sure the member's constituents are delighted to know that he finally lives in their riding. I congratulate him for that.

Mr Stockwell: So are the people of Bowmanville.

Mr Mahoney: Particularly the people of Bowmanville. They are delighted. The value of the neighbourhood just went up.

The interesting thing about this bill and the level of comprehension of members opposite about it is that one member tried to suggest that without this bill we were going to be driving up welfare costs. What the member does not understand is that all the policies of this government, in relation to the labour community, in relation to small business particularly and in relationship to the taxpayer, are adding to the burden.

They are not causing it all, I have to admit. Mr Mulroney, a colleague of my friends over here, clearly has created the recession in many ways. But the government has created a sense of fear in the business community with bills like this and with other pieces of legislation, like the secret document revealing the NDP plans to give unions more power.

They leak these things out. They walk in and leave a bill on a desk, and then they walk away and pretend not to know they left it, so somebody can pick it up. It is called flying a trial balloon. They do this all the time. They create a great cacophony in the community of people who get upset.

An hon member: Sanctimony?

Mr Mahoney: Cacophony. Did they like that one? I do not know where that came from.

They create an uproar in the community just as they are doing with Bill 70, to come back to the legislation we are dealing with here.

An hon member: I don't know if there is such a word.

Mr Mahoney: There is such a word, absolutely. If the members opposite knew what it meant, we would be all right.

The point is that they create terrible upset in the community. What really bothers us here is that they do not understand it.

Mr Hope: You're sitting on that side of the floor and we're sitting on this side of the floor.

Mr Mahoney: It does bother me that I am sitting over here because of the damage the government is doing to this province. It has three and a half more years to do it. That scares the hell out of me and it scares everybody in the business community. The member is right. Finally he has made some sense.

The First Deputy Chair: Order, please. We were doing so well there for a few moments. I ask the member for Mississauga West to continue his remarks. I ask for the co-operation of all the members of the House so that we can continue this debate in a manner that serves the people of Ontario.

Mr Mahoney: Mr Chairman, you have put very succinctly what our job is here. That is what I suggest when we deal with amendments like this, which members opposite do not understand because they have been given their marching orders. Let's deal with the—

Mr Hope: We know about the Peterson government. Talk about marching orders.

Mr Mahoney: The Peterson government is no longer; it is now the Rae government. We now live in the socialist republic of Ontario and we understand that, so it is our job to question them. What really upsets us is that they do not like that. They should appreciate that we are striving to make amendments that would make this legislation better because in essence while they hand out phone numbers for people to call to get their cheques, first, they know that is not appropriate, and second, by refusing to accept even one amendment that we are putting forward in a very

proper, democratic, legislative way, they make it extremely difficult for us to support a principle we believe in. We have said that from the start.

Our critic for the Labour ministry has said from the start—last August the member for Mississauga North said: "The Liberal caucus supports the principle of providing compensation to employees when the companies they work for close down. These amendments"—the ones we have before the government, which are being disregarded in a cavalier fashion—"will ensure that employees are treated fairly and that the legislation receives a broader level of public support." They understand that we think legislation in this regard is critical, particularly so in light of the recession and the damage those people are doing to the economy. We think it is critical because we see, as they have seen, 300,000 people out of work, 50,000 bankruptcies—

Mr Abel: That's right. It's all our fault.

Mr Mahoney: No, it is not. I have said it is not all their fault. I want to give some credit where credit is due. As a matter of fact, I say to the Minister of Labour that I have been quite impressed with the change in demeanour he has shown since he went from this side of the House to that side. I have actually seen him crack a smile a couple of times, so obviously he enjoys and relishes the role of being Minister of Labour. I would not lay all the problems of the province at their feet.

If they refuse to accept amendments that will balance legislation, I say to the member for Durham East that if they would accept some amendments that would allow the Liberal caucus to come on board and support what is a very important principle, then they could have the legislation passed in a timely fashion. Then they could say to the people of Ontario that democracy truly worked. But that is not what they do. They go into committee, the member submits his amendment, which he has done in this case dealing with a change in compensation levels, and they refuse to discuss it. I do not understand why.

It makes me wonder if there is possibly a hidden agenda. By nature I do not trust a socialist government. I am sure members understand that and would not expect me to be any other way. But the public out there, is everybody who works at Algoma Steel, as long as they are going to be allowed to continue working, a socialist? Is everybody who works at Stelco in Hamilton a socialist? Is everybody who works at Dofasco a socialist? Is everybody who works in the mines in Sudbury, at Inco, a socialist?

I suggest they are not. Electorally all they have to do is to look at the history books to prove my case, that for years the city of Sault Ste Marie, my home town, sent Tories to Queen's Park. I do not understand why. It is strange. Why would they do that?

The reason they do that is because they have problems the same as everybody. They have kids in school and mortgages to pay and car payments to make. They understand that the socialist mentality will not put food on their table or create a better life for their children and for their children's children.

Interjection.

Mr Mahoney: I say to the member for Sault Ste Marie that they understand that this kind of myopic thinking is rooted in the past, that this kind of legislation is destructive and that this inability and this refusal—

Hon Miss Martel: Remember when Peterson said that in Sudbury. Where did he end up with that kind of nonsense about children starving? That's a crock. You know better than that.

Mr Mahoney: I say to the member for Sudbury East, who is creating quite a ruckus, that not everyone in her community is a socialist and she had better recognize it, notwithstanding the fact that she is herself an extremely hard-working member.

1700

The First Deputy Chair: Order, please. The member will take his seat.

Mr Mahoney: That was on the amendment, Mr Chairman.

The First Deputy Chair: The member will take his seat. The member does very well when he speaks to the topic. The House gets on with the business that we are meant to be doing when you speak to the topic. When you incense the House with your remarks, the business is lost. I would only encourage the member to remain focused and I encourage all the members of the House to simply listen to the member's comments. The member has the floor.

Mr Mahoney: Mr Chairman, I appreciate your attempts to get the opposition members to get a grip on themselves. I think your comments are very appropriate.

The change that the honourable member for Mississauga North is putting forward, I would suggest, in relation to compensation levels, is something I will address quite specifically.

Hon Mr Mackenzie: It's not compensation levels.

Mr Mahoney: I am sorry. I did not hear the interjection by the minister. Would it be helpful if I heard it? Probably not.

The concern that I think the public would want us to raise and the concern has been expressed to me in phone calls and letters I have received is that they do not trust the government. That may not be, in all fairness, just this government. I do not think people generally trust government out there. That is why they can trust us, because we are no longer with the government. But clearly the people out there—

Interjection.

Mr Mahoney: Well, it is a short-time aberration. We will be back.

Why would the minister not agree to put a formula right in the legislation? I could speak for caucus and suggest that we would accept a predetermined formula that would find some way to address inflationary trends in the future, that perhaps would raise the limit on the per-claim basis. That sounds fair to me.

I do not think it should be stuck at the 1991 figure 10 years from now, Mr Chairman. Do you? I do not think that would be appropriate. But what they are doing is saying

they will simply change the level of compensation in the back room.

We have seen today in this very Legislature a perfect example of why people should be concerned about that, when we had such an uproar and such acrimony between the opposition parties and the government because of the refusal of the government to tell the public what it is doing in the form of ministers' statements.

If we take my example, which says that this government is not prepared to announce its agenda in public, how can we trust it not to simply double or triple the level of compensation through regulations that are simply done by some bureaucrat somewhere? Boom, it pops out of nowhere, and all of a sudden the government has to find a way to pay for it.

That is the real concern that brings about this amendment, because we suspect that the way they will pay for it is simply by additional taxation, be it in the form of some kind of tax on the business community or in the form of some kind of tax that would increase the general level of taxation to put it into general revenue, the black hole, or in the form—who knows? They might increase the sales tax. They might do anything to generate the extra dollars to satisfy the demands of people like Bob White, Leo Gerard and Shirley Carr.

If I thought for a minute that this minister or this government truly was dealing with this legislation in an attempt to resolve the difficulties of the people—they in fact could prove to me that they were doing that if they were prepared to entertain, with just the slightest bit of seriousness instead of all the nonsense that we hear, some of our amendments.

Why would they reject them all? I do not understand that. Why would they reject them all? The public does not understand that. The amendments are very reasonable. They do not destroy the integrity of the bill. The member for Mississauga North has said that the Liberal caucus supports the principle of providing compensation to employees when their companies close. We do not want to see people going without duly earned wages. The government does not have some sanctimonious right to be the only party in the province or the country that represents the interests and the concerns of the working man and woman. The facts would prove that the working man and woman support Liberals, support Tories sometimes, do not support anybody sometimes.

The First Deputy Chair: Order. I am sure the working man and woman would also like to know what the member has to say about this amendment, and I would ask you to focus your comments on the amendment.

Mr Mahoney: Mr Chairman, I appreciate the fact that you have some difficulty in keeping members in order, but I really think it does focus on the amendment. I am sorry that I take a little bit of a roundabout to get there the odd time, but my point is that the working man and woman out there, whom these people think are all going to vote for the socialists, are frightened.

Not just the small business community, who are terrified, not just the municipal people, who are extremely concerned,

but the average man or woman working on the shop floor is concerned when any government tries to leave itself in a position where it can amend legislation without bringing it back into the legislative process. That is the issue, and I do not know how I can speak any more directly than that, because that clearly is what our amendment would attempt to change.

Our amendment would say that the minister would not do this. He would not change the levels of compensation on a weekly, a monthly or perhaps even a yearly basis. He might want to do it yearly. If he wants to do it yearly, let's put in a formula.

There are all kinds of ways of doing that, whether he uses the consumer price index or the industrial wage. I do not know. I am not the minister. Maybe there are ways in which we could tie a formula into this legislation that would satisfy the minister's concerns and that would give us some comfort that we are not simply giving him a blank cheque.

The minister should imagine himself at the point where in reality he was on this side of the House and we were there. If we were attempting to do it, I strongly suspect that the Minister of Labour would be on his feet giving a speech very similar to mine, although perhaps without the reference to the support of the business community because, as I have already noted, they do not care about the business community. Without any doubt in my mind, he would be standing here saying, "We can't trust the Liberal government to have a blank cheque." I can hear him saying it.

I find it difficult to understand why, with such a balanced, fair, clearly understandable amendment, the government will not accept it. I suggest to the members that one of the reasons is that governments tend to entrench themselves. The bureaucrats in the Ministry of Labour—there was reference earlier to Bill 208, and it happened there—tend to entrench themselves and say: "This is the way we are going to do it. In Bill 208 we're going to give the unilateral authority for the health and safety worker rep to shut down the entire company if he or she decides there is an unsafe or unhealthy condition occurring in the plant." Unilateral—that was the gist of the legislation. The bureaucrats, just as they have done in Bill 70 and just as they are doing in their refusal to accept the amendments of the member for Mississauga North, said: "Just entrench yourself and dig your heels in. Don't listen to the opposition, because they are just going to go on and on without any justification."

1710

What is so fundamentally wrong with that is that it takes away the democratic rights of the people I represent—it truly does. It takes away the democratic rights of the people from all my colleagues in this House and it even takes away the democratic rights of the backbench of the NDP, because they have been told, "The can you're going to carry is this. Here it is, put it over your shoulder, get out there and fight the good fight and don't let anybody bother you, even if they start talking about giving us a blank cheque," which is exactly what this does. They should explain to their constituents back home why they

should have confidence in this minister or this government, when we see them refusing to put their business forward in ministers' statement time.

To the member for Durham East, how does he explain it? Why should the public have confidence in this government to change the level of compensation in pretty well otherwise worthwhile legislation, with the exception of the other amendments we have put forward? Why should they have that confidence? Why should they trust the government—because it got 37% of the vote? That is what it got, 37% of the people of Ontario, which I would suggest, if the government analyses its position politically, is only about 12%, I say to the member for Yorkview.

Mr Mammoliti: Stop crying.

Mr Mahoney: I am not crying at all.

About 12%, maybe 14%, of its normal support level voted for it in a form of frustration and protest against the government of the day, the government in Ottawa, the Meech Lake issue, Brian Mulroney, Robert Bourassa, etc. They voted in the form of a protest. So when legislation comes in, as this does, that clearly says the government should have a blank cheque, why would it even expect that we should lie down and roll over? Why would it even think it is fair that we should do that? We happen to represent, between us, 63% of the province.

Mr White: You don't.

Mr Mahoney: I am sorry; in popular vote terms, we absolutely do. Excuse me, Mr Chairman, the old vocal cords are getting tested today. If we are representing 63% of the average working men and women, should we not have something to say about this legislation? Since the process says that even though the government got only 37% of the popular vote, it does indeed have the majority of the seats in the House, maybe we should allow—Mr Chairman, you have a member on his feet in some mode of anxiety.

Mr Martin: On a point of order, Mr Chairman: I find it really difficult to sit here and listen to the discussion go on and on. It has been pointed out to me that these discussions have been going on for months now on this piece of legislation. There are approximately 18,000 people out there in the province who are waiting for this legislation so that they might get paid for work they have already done. The folks who elected me in Sault Ste Marie, the thousands of people who voted for me in Sault Ste Marie, see that—

The First Deputy Chair: Order, please. The member will take his seat. I have listened. This is not a point of order. I am going to allow the debate to continue. The member for Mississauga North.

Mr Mahoney: West.

The First Deputy Chair: The member for Mississauga West.

Mr Mammoliti: The further west the better.

Mr Mahoney: Thank you. Mississauga West, although I am very proud of Mississauga, north, south and east as well, I can assure members.

Once again, the member rises on a point that simply proves my case. My case is that we do not understand why the minister refuses to accept an extremely reasonable, balanced amendment from an extremely reasonable, balanced member whose job it is, as the critic, to put forward amendments.

Mr Chairman, you have been in the cabinet. When you deal with legislation, do you suspect that when the legislation goes to cabinet the minister's critic is simply going to sit there like a bump on a log, that the critic for the Liberals, the official opposition, is not going to put forward amendments? Does that seem reasonable? It certainly does not to me, particularly when we recognize, as I said, that between the two opposition parties we indeed have a legitimate claim to say that we represent 63% of the population in the province.

What we have such difficulty with and the reason we debate the amendment is partly the legislative process, but I think a lot of people felt—we have a new Chairman; welcome sir, nice to see you here today—when they accidentally voted for the NDP, that they were voting for change. I encourage the government in fact to effect some change. But what has it done? It has ignored the amendments by this party. I do not know whether the Conservatives have been successful. I do not believe they have had any of their amendments accepted.

This government has said to the people of Ontario: "We're in the government and we're going to do this any damned way we please. To hell with the opposition and to hell with 63% of the population. We don't really care what they think."

As the member for St George-St David pointed out earlier, it is sending a message out to the public that says—and this is part of their socialist strategy—"If you really want changes, you had better not elect anybody other than an NDP." That is so undemocratic and so unfair, especially when you take a look at how reasonable the amendments are, Mr Chairman. Considering you are joining us for the first time this afternoon, let me just briefly share with you a very major concern with regard to how compensation levels get changed in this legislation.

This government wishes to change it by regulation instead of by legislation. I will not go over all that again, but the real fear, as I said earlier, of the men and women and of the future generations in this province is that in essence this is giving this socialist government a blank cheque and an opportunity to do whatever it wants. I happen to think that is wrong. I have suggested that they look at a formula.

I am perhaps speaking a little bit out of turn, but I would be prepared to talk to my colleague the critic so that maybe we would look at establishing a formula with the minister, if the minister were to agree to putting some kind of formula in the legislation. If the minister would stand up and undertake here to sit down and draft a formula and tie it to some form of public index, we could even withdraw this particular amendment—with the minister's undertaking that he would be prepared to work up an amendment to the legislation that would put some sense of security in the minds and hearts of people in the province.

I do not know how much more reasonable, as an opposition party, we could be. We could simply stand here and shout and say that this bill is totally wrongheaded and that the thinking is bad. We could go on and on, but the reality is—our critic has said it publicly and I am prepared to say it, as someone who really does not like the basic, fundamental foundation that the minister refuses to accept the amendments—that we are concerned as a party about addressing the problems that occur, particularly in facing the devastating economic times we live in.

I would be prepared to endorse the principle of wage protection for people who have earned wages in corporations that go out of business. God knows that is happening on a regular basis. But as I said before, the bureaucracy has got hold of the minister, the minister has got hold of the cabinet, the cabinet has got hold of the entire caucus and we wind up with an entire group of 75 men and women saying: "Yes, sir. No, sir. Three bags full, sir."

I thought those people were supposed to be different, yet all they can do is hurl insults at the David Peterson government, as the now-departed minister responsible for native affairs and the member for Chatham-Kent did at some length. All they can do is hurl insults, instead of recognizing what they ask us to recognize, that it is over a year since the government members took the mantle of power. We understand that. Reluctantly and unhappily, we are resigned to the fact that we are stuck with this government for probably another three to three and a half years.

1720

An hon member: Four.

Mr Mahoney: Well, four. I do not expect the Premier will call an early election. He probably did learn a history lesson, although you never know. If he decides, through some miracle of miracles, that this government is high in the polls, believe me, he is not above being somewhat political.

An hon member: Is that what happened to you?

Mr Mahoney: It was probably part of it, no question of that. The reality is that we are stuck with this government for another three and a half years.

Mr Klopp: You set the message.

Mr Mahoney: Look, if you would like to go back and rerun that election, I would be delighted to do that.

The Second Deputy Chair: Order, please. The honourable member should be addressing the Chair. He is being somewhat provocative. Please let's get back to the amendments.

Mr Mahoney: I am sorry, Mr Chairman. It is very much unlike me to do that. Every once in a while I just lose it.

Anyway, in wrapping up—

[Applause]

Mr Mahoney: This might take a while, I say to the Minister of Energy. In wrapping up, I really take some exception to members on the back bench. Instead of talking to this very worthwhile amendment, they stand up and stroke the minister, as the member for Chatham-Kent did, about what a wonderful minister he is and how he is

listening. Well, he is not listening to us. I guess he thinks he is listening to them. As I pointed out to the member for Chatham-Kent, stroking this minister is not going to get the member into cabinet, as the honourable member knows full well, having been here for a while. I see he has left. Maybe he is out stroking the Premier. That is the guy who runs everything around here. That may, depending on how many scandals the honourable member has, get him into cabinet.

Mr Hope: Look to your right.

Mr Mahoney: What am I seeing to my right? The honourable member is a long way to my left. That just proves my point as well. The government members do not know their right from their left, they are so confused.

If the members opposite, instead of standing up and simply stroking the minister, would really take a serious look at our amendments—I have put forward a very positive suggestion of establishing a formula—I would be delighted. I promise the members opposite that I will be quiet if the minister gives me a signal—one of those non-verbal signals we were talking about earlier—that he is prepared to look at such an amendment. I can see he is not prepared. I am disappointed, although not surprised.

Other members stand up, and instead of talking to this very worthwhile, moderate amendment start talking about welfare costs, start using words like “non-substance,” start referring to Bills 162 and 208, suggesting that our government did not allow an opportunity for the democratic process to take place. That is absolute and utter nonsense. Then we get the surprise of surprises. We get a minister of the crown actually sending a note over with the phone number of the Labour critic’s office—talk about silliness—instead of addressing this very worthwhile issue.

I will be extremely interested to hear how the members, when they go back to their ridings, can justify a request for a blank cheque, how they can justify that they should give over to the authority of the bureaucrats—are they not the ones who always said government was too big? Are they not the ones who said they were going to change the way we do things in government? Are they not the ones who said the bureaucracy was out of control? I heard it all from the guy who ran against me for the NDP. I heard it all. Then what do I see? I see the government members come in, and just like little puppy dogs, get in line. Bureaucrats draft legislation and tell the government members:

“This is the way it should be. Don’t worry about the heat from the opposition. Do not even listen to them. It does not matter how reasonable, it does not matter how well-thought-out, it does not matter how fair their amendments are. They are simply their amendments and they are not to be your amendments. Like good little soldiers, off you go into the trenches, into the wars at Queen’s Park and do what you’re told.”

Then the cabinet, as I said before, instructs the caucus. We hear lots of stuff, as my colleague has pointed out, in the form of shots across the House. I would like to hear the member for Durham East speak on this. I have had a tremendous amount of respect for the member for Durham

East, ever since he unpacked the moving van and told his wife he was elected and said: “This was an accident. I have to stay home.” In all seriousness, I do have a lot of respect for the member.

Mr Morrow: Durham Centre.

Mr Mahoney: The member for Durham Centre is not a bad guy. He is not in the same league as the member for Durham East, but then he has not had the experience. I would like to hear his thoughts. Perhaps some of the other cabinet ministers who have joined us in the House would like to stand up and tell us how they feel about it.

No, they do not want to. They have been told not to. They have been told that under no circumstances should they stand up to the minister, for whom I have tremendous respect. There is the member for Elgin, which is the home of Marietta Roberts. How I miss her. What a wonderful member she was. Why does not the Minister of Tourism and Recreation stand up and tell us if he thinks this legislation is good? Does he think these amendments are unreasonable? He does not. I agree. He does not think they are unreasonable.

I recognize it is not his portfolio, but why will the Minister of Agriculture and Food not stand and share with us his views on these amendments? Does he think it would be fair for him to walk into this House and ask for a blank cheque? That is what this amendment does. This amendment to Bill 70, which I know the Chairman wants me to address, does exactly that. It issues a blank cheque with no recourse for the public and no opportunity for the public representatives in this Legislature, other than the ones who represent the ridings of all the trained seals on the other side of the House, to have a say on the amendment.

The members look puzzled. They do not understand. Let me explain it to them. I will explain it very simply. The amendment says that any change to compensation levels should be dictated by the legislation and not by regulation. What that really means is that we want it in the document.

The government will make us surprisingly happy campers if it simply amends the document to include a formula to allow for the public to have some insurance. I am sorry to use that word. I did not mean to get the members excited. I do not mean to be provocative. Perhaps “comfort level” is better. The government has already demonstrated in the budget with a \$9.7-billion deficit how reckless and outrageous it can be, with no caring for the public purse. They waste money on wallpaper and carpet and drapes instead of dealing with issues that matter to people. How can they expect us or the public at large to give them a blank cheque?

I note the puzzled looks. Maybe I have struck a chord or two over there. Maybe some of them are saying, “This guy might have a point.”

Mr Mammoliti: You’re disgusting, Steve.

Mr Mahoney: I ask the minister if he will consider a formula. That is all I am asking for.

Mr Callahan: On a point of order, Mr Chairman: I heard the member for Yorkview use the word “disgusting” with reference to an honourable member of this Legislature. That is clearly contrary to the standing orders. I ask

that you review the record, or perhaps the member has enough confidence to stand up and agree that he said that.

The Second Deputy Chair: The honourable member for Mississauga West, through the Chair, may proceed with the debate on this amendment.

1730

Mr Mahoney: I did not hear those remarks. As I said, I have been called worse by better. I am not too concerned if the best response the member can come up with is terminology like that. Being the type of person I am, I forgive him and hope he sleeps well this evening.

I really would like the minister to give some serious consideration to making it possible for me at least, if not other members of my caucus, to support this legislation. That is truly my wish. I would like, on the day that we vote on third reading, to be able to have it in the record that the member for Mississauga West clearly supports the principle of providing compensation to workers who lose their wages due to no fault of their own, due to the closing of their business through whatever problem. I think it is reasonable and fair and makes sense.

By refusing to accept the amendments that have been put forward, the minister makes it impossible for me to do that. It should be on the record that if he does not accept the amendments I will find it impossible to support the legislation, even though I support the principle.

I think the key argument that should be put out to anybody who finds himself or herself in that conundrum is that if you have principles, you cannot put them aside just to support the basic premise of the legislation when the actual details of the legislation destroy the principles that you stand for.

There is nothing that says we cannot support people in need in this particular case, in the case of failing businesses, of lost wages, and yet at the same time we must not ignore our responsibility to the taxpayer. There is no justification, because the people that lose the wages that we are seemingly trying to protect are taxpayers also. As a result, while they want help, they do not want us to run amok with their tax dollars. They do not want us to totally throw out any sense of fiscal responsibility when it comes to the many other problems that we face in this province.

They recognize that although it is extremely important for them to receive compensation in the form of lost wages through some form of government wage protection plan, unless this government finds a cash cow to fund this program, it is in one sense going to pay into the fund in one way while it simply turns around and takes out in another.

There is a principle there that says, "We are prepared to pay into these kinds of things as taxpayers, but no blank cheques." No wide-open authority that allows any government, particularly one that I do not trust or that my colleagues do not trust or that 63% of the people in this province do not trust, particularly a socialist government that is bent on dogma and ideology, that is rooted in the past instead of looking towards the future, instead of looking for ways to create new business, to create new jobs, to create an economy that is vibrant, that can generate the economic revenue that will allow the social programs that

we all believe in so strongly to be afforded, particularly for a government that refuses to come into the Legislature—and I cannot even remember the last time a minister stood up in this House and made a statement outlining something of concern. I cannot remember the last time they did. Has it happened in this particular—maybe it has, but I cannot remember it and my memory is not bad.

Mr Hope: Maybe the member was not here.

Mr Mahoney: Maybe I was not.

The public, through members of the opposition representing 63%, would like to say to these gentlemen and ladies: "We do not trust you. We think"—

Mr Mammoliti: The public did not trust you.

Mr Mahoney: The public does not trust government. There is no question about that. But what this government is doing is exacerbating that feeling, making it worse, making it impossible.

I say to the Minister of Labour, he has a golden opportunity to show the public he can be trusted by simply accepting what should be some relatively innocuous amendments to him, but which would be extremely important amendments to the public process, to the confidence of the public, to the public we represent, and which would suggest to us that indeed they have listened.

But it is quite clear to me that they are not prepared to do that. I have asked the minister. I have given him opportunity upon opportunity in these five or 10 minutes that I have been speaking to give me some kind of a non-verbal signal that he would accept an amendment different than the one we have before us, that would allow for a fixed formula to be put in. Maybe the minister would be so kind as to rise in his place and explain to me and to this House and to the public of Ontario why he needs a blank cheque, why he refuses to put a formula in the legislation that clearly requires any change to the compensation levels to go through that formula, why he refuses to create a sense of confidence, perhaps for the first time—how long have those guys been in government? Too long, 14 months, whatever it is—since they got into government that we actually made some sense out of some of the legislation.

The minister would be delighted, I am sure, to find that on the day this particular bill ascends to the mighty altar of third reading that standing beside him would be the Liberal caucus. As difficult as that would be for me, if the minister would agree to these amendments, I would be prepared to support such legislation. I fear he will not.

Mr Chairman, I thank you for your attention and your patience and the time to say something that I consider to be of extreme magnitude, extreme importance to the people I represent and to the 63% of the population of this province who did not vote for this government.

Mr Mammoliti: I am sorry. I am compelled to stand here and respond to some of the comments that the member for Mississauga West has made.

First of all, I respect him very much. I sit on committee with him and I have certainly learned a lot from him in the past. Certainly his attire, his dress, is something I have learned. He has made comment on my tie today—this from the Herb Tarlek of this Legislature. I will take his

note and I may change my tie tomorrow. I do not know. But what this has to do with the amendment I do not know. Why he chooses to stand up in this Legislature and criticize somebody's tie—

Mr Mahoney: On a point of order, Mr Chair: Perhaps you could help me. I know that I was accused of not speaking to the bill but I really did not speak in relationship to personalities.

The Second Deputy Chair: That is not really a point of order.

Mr Mahoney: Will you direct the member to speak to the bill?

The Second Deputy Chair: Yes. I want to remind the member who is addressing the bill that the member—

Mr Mammoliti: I will endeavour to stick to the topic. There are 18,000 workers out there are waiting for this bill to go through. I am not going to take a lot of time because they are waiting, and they are still waiting. Even though the people who sit across from us are saying that they agree in principle, I think there is an ulterior motive, frankly, and these amendments are certainly taking up a lot of time. By saying to the public, to the people out there, that they are concerned and that they care about wage protection—I do not know; I would tell the people out there to look exactly at what they are doing here: amendment after amendment after amendment.

Some 18,000 workers are waiting for this bill to be passed, and it is just not being passed. I understood we had an agreement today to at least vote on this. It is not happening. Why? Because of amendment after amendment. I cannot understand that.

1740

I would like to note as well that I have great respect for Bob White and great respect for all the union leaders out there. For them to keep bringing this up in this debate is something I cannot understand. Herb Tarlek brought it up a number of times, and I certainly cannot understand why. Perhaps he does not like the way Bob White dresses. I do not know. Maybe it is his tie that he does not like.

With respect to 63%, they represent 63%? My foot. Where he got the figure, I do not know. A lot of people did not vote last election. Did they not vote because they like the Liberals or they like the Conservatives? That argument, frankly, does not wash with me. To sit here and say that he is concerned about the 63% does not wash with me. They were not concerned about anybody when they were the government. They were concerned only about themselves. This ulterior motive to stall has me upset. I do not like the fact that amendment after amendment is up.

Mrs Sullivan: On a point of order, Mr Chair: The member is once again imputing motives, by indicating not only by the contents surrounding the words, but by the words themselves, that the members on this side of the House have an ulterior motive. That is imputing motives and ought to be withdrawn.

Mr Mammoliti: I would like to apologize to all the people out in Ontario and say to them that we are going to do our best to get this bill through. Some 18,000 people

are waiting for this bill to go through, and on this side of the House we will do whatever we can to try to expedite things.

Mr Callahan: I am perhaps going to confine my comments to a narrow issue. I think it goes without saying that members of the Liberal Party, as have, I am sure, the Conservatives and also the government, have a real concern that workers who find themselves without a job because of a whole myriad of circumstances, particularly during this time of high recession—I prefer to call it depression—have to be protected. I think any member of this Legislature who did not have an empathy and a caring concern for the workers of this province would be a person who does not deserve to sit in this Legislature.

My concern, and the narrow issue I want to address, is the question of how you go about it. That issue really revolves around the whole issue of how our Legislature functions. Each one of us is elected by our own particular electors in our ridings. We are charged with the responsibility of seeing that their views are put forward in this Legislature, that their views are protected in this Legislature, that whether we are in a majority or minority government, their views will be heard.

I suggest that is the reason why it is so important, and that is the reason my colleagues who have spoken on this matter have addressed that issue. When you do things by regulation, the words “can be changed by the Lieutenant Governor in Council” conjure up in the minds of the public the fact that our very able Lieutenant Governor, whom I am sure they have great acclaim for—he has been an excellent man who has served this province well—is actually protecting their interest.

I have to tell the people of this province—I have said it before and I will say it again—that by doing it by regulation, by Lieutenant Governor's order in council, they have to understand that is really the cabinet, the government of the day.

Very often, and probably down through history—it does not necessarily start with this government or start with the Conservative government or even our government—it means a few people who make these decisions down in the back office or the side office or the second-floor office, some of whom may be elected and others unelected, are actually calling the shots for the health, economically, environmentally, fiscally—you name it—of this province, when each and every person in this Legislature was elected by the people in his riding to determine what should happen in here. That is democracy.

By this clause of allowing regulation to determine what the amount will be, I have to ask two questions. The first one that I would ask of the Minister of Labour or his parliamentary assistant is, if in fact it gives the power to increase the \$5,000 figure, does it also give power to a future government, be it NDP or any other, to decrease it? That is what the regulation, as I understand it, says. If in fact it gives the power to decrease it, the government has not created a comfort for anybody in this province, because it will fluctuate as the Treasurer's budget fluctuates.

Just to go to a very interesting piece of material which I think every member of the Legislature should read, it was

created by a committee that was chaired by David Fleet, who was the member for High Park-Swansea, I believe, when he chaired the standing committee on regulations and private bills. I give the former member for High Park-Swansea, David Fleet, great congratulations for the intellectualism and integrity to enter into this entire issue, because it is one that should be discussed openly. It is one that should be looked into by this government.

It is the fact that regulations never see the light of day. Regulations can be passed that members will never see, that will never be on the floor of this Legislature, that will never have an opportunity to be seen and debated. In fact, it is passed by the four, five or six—depending on what numbers there are—people who are the shakers of this province, and more often than not those shakers are the Premier, the Treasurer, the people who are on the policy and priorities board of cabinet and the major civil servants, who in their best efforts—the civil service has served this province well—attempt to put before their masters, the people who are elected to this House, the best possible legislation they can. But from time to time, there are ministers and governments that try to direct them to follow a particular bent, and when you put things in by way of regulation, you deny people democracy.

It flies in the face of the fact that the present government is the New Democratic Party. I suppose that people thinking about the New Democratic Party would say, “Democracy. Their name has ‘Democratic’ in it. Everything for democracy,” and here what they are trying to do is actually go around the corner of democracy. They are trying to do an end run on the people. They are trying to say to the people, “Hey, we’re going to do this, but we’re going to do it by regulation, by order in council.” The average person out on the street who has put his trust in each and every one of the people who is elected in this House really believes that this is how it is going to be done.

I am going to tell them again that it is not democracy, that in fact it is an effort by the executive of this government to use its powers in such a way that it can change it by various means. They can have a poll and discover that the economy is in such a state that they have to retrench, or they can say they will increase it and, as some of my colleagues have pointed out, they can in fact increase it to the detriment of the rest of the taxpayers of this province, because they have to foot the bill.

I see some of the government members over there actually listening, so I have to assume they were not told this in caucus. I can just picture it. Here is this giant caucus, 63 strong. They are meeting on Wednesday morning. They are in there and suddenly the minister stands up and says, “I’m going to introduce in the House this afternoon a bill that is going to do this.”

The government members raise their hands and they might get recognized maybe once every three or four days and get to speak. It does not really matter what they say. They have no input whatsoever. I really urge them—and I think I speak with authority because I guess I have been somewhat of a disturber, but I really feel passionately

about the Legislature. I really feel passionately about the democracy of this place.

1750

Each and every one of the government members have to go back to their ridings and justify what has been done without very much of their input at all, with simply a vote that is called, and they are numbers. They stand there and clap like seals to vote for it, more often than not, not even knowing.

I would like to take a poll in this House as to how many of the government members have read through this bill from cover to end, understand the bill fully and the impact it will have on the people of this province. I am sure they understand it is to help the workers. We all understand that. That is a principle I started with. I said no member of this Legislature could possibly fault that.

There are people out there who have to put bread on their table. There are people out there who have to pay their rent. There are people who are being disadvantaged because of jobs leaving this province. They are being disadvantaged because of unscrupulous people who fold their companies and leave these people without the ability to look after their family. No question about that.

The government should please do one of two things: Either not do it by regulation, because that is the back door—that takes the empowerment out of their hands as legislators, as members representing their ridings totally—or put a cap on it, as I suggested. Then at least if they want to come back and change it up or down, they have to come back to the floor of this Legislature where we as elected representatives can debate this issue. They should not try to hide it under a shell or play a shell game with it. That serves nobody’s interests.

If they go and vote for it as it is, that it can be done by regulation, if they are led to the slaughter as helpless lambs because they feel by not doing so they are being disloyal to their government, then I suggest they are going to have real difficulty. They are going to wake up one morning and they might just decide: “Maybe I should read this bill. Maybe I should look at the Hansard and determine what I’ve really done.” They are going to say, “Oh my gosh, I didn’t represent the people in my riding.”

They are then going to have to go out on the election trail at some point and explain to these people, “It didn’t work, Mr So-and-so or Miss So-and-so.” “Why didn’t it work?” “It didn’t work because they did it in the back room, they did it through regulation. It never got on the floor of the Legislature.” The electorate is going to say to them, quite rightly, and they have said it in many elections in this province when they have just turfed governments out and turfed members out because these members did not listen, “They did not care enough to look at the issue and determine it themselves.”

The government members are not just one liquid blob over there. They represent 63 ridings, or whatever numbers, with individual people in every riding. They represent people from all walks of life, people who have sent them down here with a sacred trust, put their trust in them by voting for them and asked them to exercise the grey

matter they each have, to exercise the experiences each of them have.

By simply folding into a liquid blob when the time comes for the vote and voting the way they have been told by the people who perhaps are in the forefront of this whole thing, they are putting a trust in them. What it means is that the electorate who voted for them are now putting their trust in them and they are giving their sacred trust to this group of four, five, six, seven people, half of whom are probably not even elected. To me, and I think to many members, the government does not want to take the trust that was given to it on September 6 and simply put it over here on the counter and tell those four, five or six people, "Use it as you wish." That is not a fair representation of the electorate.

I think if they could spend one term here, they could spend two terms, they could spend three, four, five. Whether or not people believe it, the people who have served in this Legislature have served it well. They have worked hard, they have given up their families to be here, they spend great concern in their constituency offices with their people to help the individuals in their ridings.

If they can go away from this place feeling, "I did something I can be proud of, rather than something I will look at afterwards and regret," the time they spend in this Legislature, be it short or long, is worth while. If they cannot go away feeling that way, then all they have done is occupy a seat. They have wasted their own time and their families' time. They have given that to the public, but it has been nothing more than a sham.

I do not think that is the history of this Legislature. One would hope there are individuals among the government ranks who are going to say: "Hey, I don't care what you might be able to do for me or against me. Here's the way I feel. Here's what I believe. I want anything as important as this issue to be debated in the Legislature because that is where democracy reigns."

If they allow the government to do it through the back door or the back corridors or the corridors of power in this province, they have failed their constituents, they have

failed themselves, and I suggest that when they leave this place, they cannot honestly say they served the trust that was put in them by the people who elected them.

Having said all that, I want them to take a look at the bill and understand that orders in council and regulations are called the silent laws of this province. They are made by the stroke of a pen in the cabinet or the Premier's office or with a group of people in the policy and priorities board of cabinet. They are never scrutinized by anyone.

The standing committee on regulations and private bills has a limited mandate. It is entitled to see whether or not that regulation meets the terms of reference of that committee. The terms of reference of that committee do not allow it to interfere with policy. So if the government members do not open their mouths now and raise one small cry for democracy, they will look back on it on a later occasion and say, "I failed my electorate."

I urge the government members, because I know they are all good men and women and want to serve their public, to look at it and think about it and think about the fact that this chamber was not just erected so we could all stand up here and talk.

An hon member: Blab.

Mr Callahan: One member says "Blab." He is right, but that is what democracy is all about. I would rather have the opportunity to blab and to put forward the points of the people who elected me than to simply applaud what has been made by a select group of people. If that is democracy, then maybe it is time we should look into the question of what they did in history with the Magna Carta by telling the King that the King's powers were not ultimate, that they had the right to certain basic freedoms.

On motion by Mr Mackenzie, the committee of the whole reported progress.

À la suite d'une motion présentée par M. Mackenzie, l'étude du projet de loi en comité plénier de la Chambre est ajournée.

The House adjourned at 1800.

**LEGISLATIVE ASSEMBLY OF ONTARIO
ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO**

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Clerk Assistant and Clerk of Journals/Greffier adjoint et Greffier des journaux: Alex D. McFedries

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Ministre des Services sociaux et communautaires

Allen, Hon/L'hon Richard (Hamilton West/-Ouest ND) Minister of Colleges and Universities, Minister of Skills Development/Ministre des Collèges et Universités, ministre de la Formation professionnelle

Arnott, Ted (Wellington PC)

Beer, Charles (York North/-Nord L)

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Ap du ministre du Développement du Nord et des Mines, ap du ministre délégué aux Affaires francophones, vice-président du Comité spécial sur le rôle de l'Ontario au sein de la Confédération

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Chef parlementaire de l'opposition

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Charlton, Hon/L'hon Brian (Hamilton Mountain ND) Minister of Financial Institutions/Ministre des Institutions financières

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Ap du Trésorier de l'Ontario et du ministre de l'Économie

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Ministre des Affaires municipales, chef parlementaire du gouvernement

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Coppen, Hon/L'hon Shirley (Niagara South/-Sud ND) Minister without Portfolio, chief government whip/
Ministre sans portefeuille, whip en chef du gouvernement

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Daigeler, Hans (Nepean L)

Drainville, Dennis (Victoria-Haliburton ND) PA to Minister of Municipal Affairs; Chair, select committee on Ontario in Confederation/Ap du ministre des Affaires municipales, président du Comité spécial sur le rôle de l'Ontario au sein de la Confédération

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Chef de l'opposition officielle

Eves, Ernie (Parry Sound PC) Progressive Conservative House leader/Chef parlementaire du Parti progressiste-conservateur

Farnan, Mike (Cambridge ND) First Deputy Chair of the Committee of the Whole House/Premier vice-président du Comité plénier de l'Assemblée législative

Fawcett, Joan M. (Northumberland L)

Ferguson, Hon/L'hon Will (Kitchener ND) Minister of Energy/Ministre de l'Énergie

Fletcher, Derek (Guelph ND) PA to Minister of Consumer and Commercial Relations/Ap du ministre de la Consommation et du Commerce

Frankford, Robert (Scarborough East/-Est ND)

Gigantes, Hon/L'hon Evelyn (Ottawa Centre/-Centre ND) Minister of Housing/Ministre du Logement

Grandmaître, Bernard C. (Ottawa East/-Est L)

- Grier, Hon/L'hon Ruth A.** (Etobicoke-Lakeshore ND)
Minister of the Environment, minister responsible for the greater Toronto area/Ministre de l'Environnement, ministre responsable du Bureau de la région du grand Toronto
- Haeck, Christel** (St. Catharines-Brock ND)
- Hampton, Hon/L'hon Howard** (Rainy River ND) Attorney General/Procureur général
- Hansen, Ron** (Lincoln ND) Chair, standing committee on finance and economic affairs/Président du Comité permanent des finances et des affaires économiques
- Harnick, Charles** (Willowdale PC)
- Harrington, Margaret H.** (Niagara Falls ND) PA to Minister of Housing/Ap du ministre du Logement
- Harris, Michael** (Nipissing PC) leader of the Progressive Conservative Party/Chef du Parti progressiste-conservateur
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- Henderson, D. James** (Etobicoke-Humber L)
- Hope, Randy R.** (Chatham-Kent ND) PA to Minister of Community and Social Services/Ap du ministre des Services sociaux et communautaires
- Huget, Bob** (Sarnia ND) PA to Minister of Energy/Ap du ministre de l'Énergie
- Jackson, Cameron** (Burlington South/-Sud PC) Chair, standing committee on estimates/Président du Comité permanent des budgets des dépenses
- Jamison, Norm** (Norfolk ND) PA to Minister of Industry, Trade and Technology, responsible for small business/Ap du ministre de l'Industrie, du Commerce et de la Technologie, délégué aux Affaires des petites entreprises
- Johnson, Paul R.** (Prince Edward-Lennox-South Hastings/Prince-Edward-Lennox-Hastings-Sud ND)
PA to Minister of Revenue/Ap du ministre du Revenu
- Jordan, W. Leo** (Lanark-Renfrew PC)
- Klopp, Paul** (Huron ND) PA to Minister of Agriculture and Food (food)/Ap du ministre de l'Agriculture et de l'Alimentation (alimentation)
- Kormos, Peter** (Welland-Thorold ND) Chair, standing committee on resources development/Président du Comité permanent du développement des ressources
- Kwinter, Monte** (Wilson Heights L)
- Lankin, Hon/L'hon Frances** (Beaches-Woodbine ND)
Minister of Health, minister responsible for the provincial anti-drug strategy/Ministre de la Santé, ministre déléguée à la Stratégie antidrogue provinciale
- Laughren, Hon/L'hon Floyd** (Nickel Belt ND) Deputy Premier, Treasurer of Ontario and Minister of Economics/Vice-premier ministre, Trésorier de l'Ontario et ministre de l'Économie
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- Malkowski, Gary** (York East/-Est ND) PA to Minister of Citizenship, responsible for human rights, disability issues, seniors' issues and race relations/Ap de la ministre des Affaires civiles, déléguée aux Droits de la personne, aux Affaires des personnes handicapées, aux Affaires des personnes âgées et aux Relations interraciales
- Mammoliti, George** (Yorkview ND) PA to minister responsible for the provincial anti-drug strategy/Ap de la ministre déléguée à la Stratégie antidrogue provinciale
- Mancini, Remo** (Essex South/-Sud L) Chair, standing committee on general government/Président du Comité permanent des affaires gouvernementales
- Marchese, Rosario** (Fort York ND) PA to the Premier, PA to Minister of Intergovernmental Affairs/Ap du premier ministre, ap du ministre des Affaires intergouvernementales
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- Murdoch, Bill** (Grey PC)
- Murdock, Sharon** (Sudbury ND) PA to Minister of Labour/Ap du ministre du Travail
- North, Hon/L'hon Peter** (Elgin ND) Minister of Tourism and Recreation/Ministre du Tourisme et des Loisirs
- O'Connor, Lawrence** (Durham-York ND) PA to minister responsible for the greater Toronto area/Ap de la ministre responsable du Bureau de la région du grand Toronto
- Offer, Steven** (Mississauga North/-Nord L)
- O'Neil, Hugh P.** (Quinte L)
- O'Neill, Yvonne** (Ottawa-Rideau L) opposition deputy whip/Whip adjointe de l'opposition
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- Perruzza, Anthony** (Downsview ND) PA to Minister for Skills Development/Ap du ministre de la Formation professionnelle

Philip, Hon/L'hon Ed (Etobicoke-Rexdale ND) Minister of Industry, Trade and Technology/Ministre de l'Industrie, du Commerce et de la Technologie

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Sullivan, Barbara (Halton Centre/-Centre L)

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Wessinger, Paul (Simcoe Centre/-Centre ND) PA to Minister of Health/Ap de la ministre de la Santé

White, Drummond (Durham Centre/-Centre ND)

Wildman, Hon/L'hon Bud (Algoma ND) Minister of Natural Resources, minister responsible for native affairs/Ministre des Ressources naturelles, ministre délégué aux Affaires autochtones

Wilson, Hon/L'hon Fred (Frontenac-Addington ND) Minister of Government Services/Ministre des Services gouvernementaux

Wilson, Gary (Kingston and The Islands/Kingston et Les Îles ND) PA to Minister of Culture and Communications/Ap de la ministre de la Culture et des Communications

Wilson, Jim (Simcoe West/-Ouest PC)

Winninger, David (London South/-Sud ND) PA to Attorney General, PA to minister responsible for native affairs/Ap du Procureur général, ap du ministre délégué aux Affaires autochtones

Wiseman, Jim (Durham West/Durham-Ouest ND) PA to Minister of Correctional Services/Ap du ministre des Services correctionnels

Witmer, Elizabeth (Waterloo North/-Nord PC)

Wood, Len (Cochrane North/-Nord ND) PA to Minister of Natural Resources/Ap du ministre des Ressources naturelles

Ziemba, Hon/L'hon Elaine (High Park-Swansea ND) Minister of Citizenship, minister responsible for human rights, disability issues, seniors' issues and race relations/Ministre des Affaires civiques, déléguée aux Droits de la personne, aux Affaires des personnes handicapées, aux Affaires des personnes âgées et aux Relations interraciales

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COMITÉS DE L'ASSEMBLÉE LÉGISLATIVE**

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Administration of justice/Administration de la justice

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Clerk/Greffière: Lisa Freedman

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Finance et affaires économiques

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Règlements et projets de loi privés

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Vice-Chair/Vice-Président: Vacant

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Clerk/Greffière: Lynn Mellor

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Ontario in Confederation/

Rôle de l'Ontario au sein de la Confédération

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Vice-Chair/Vice-Président: Gilles Bisson

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Clerk/Greffier: Harold Brown

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Parliamentary precinct/Enceinte parlementaire

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Co-Chair/Coprésident: Noel Duignan

Members/Membres: Dianne Cunningham, Remo Mancini, Kimble Sutherland

Clerk/Greffier: Smirle Forsyth

CONTENTS

Wednesday 9 October 1991

Members' statements

Toronto waterfront	2809
Mrs Caplan	
Niagara Escarpment	2809
Mr B. Murdoch	
Balls Falls Thanksgiving events	2809
Mr Hansen	
Mining industry	2809
Mr Miclash	
Negotiations with Ontario Pharmacists' Association	2810
Mr J. Wilson	
Greater Niagara General Hospital	2810
Ms Harrington	
Acquired Immune Deficiency Syndrome	2810
Mr Curling	
Grand Valley Lions Club	2810
Mr Tilson	
Member's comments	2811
Mr Fletcher	
Mr Arnott	
Sabrina Panetta	2811
The Speaker	
Use of question period	2811
The Speaker	
Correction	2811
Mr Mahoney	
Ministerial statements	2812
Mr Elston	
Mr Scott	
Mr Wildman	
Mr Eves	
Mrs Caplan	
Mr Sorbara	
Mr Stockwell	
Parliamentary procedure	2817
Mr Elston	

Oral questions

Sabrina Panetta	2816
Mr McClelland	
Ms Akande	
Royal visit	2818
Mr H. O'Neil	
Mr Rae	

Government spending	2819
Mr Harris	
Mr Laughren	
Court system	2820
Mr Harris	
Mr Hampton	
Etobicoke waterfront development	2821
Mrs Caplan	
Mr Cooke	
Wage protection	2822
Mrs Witmer	
Mr Mackenzie	
Waste management	2823
Mr Mills	
Mrs Grier	
Hunting in Algonquin Park	2823
Mr Ramsay	
Mr Wildman	

Sabrina Panetta	2824
Mr Mahoney	
Parliamentary procedure	2824
Mr Elston	

Petitions

Oath of allegiance	2825
Mr J. Wilson	

Reports by committees

Standing committee on government agencies	2825
Mr Runciman	
Deemed adopted	2825

Committee of the whole House

Employment Standards Amendment Act, 1991,	
Bill 70	2825
Mr Offer	2825
Mr Hope	2829
Mr Mahoney	2831
Mr Mammoliti	2839
Mr Callahan	2839
Progress reported	2841

Lists of members

Members and their responsibilities
Committees of the Legislative Assembly

TABLE DES MATIÈRES

Le mercredi 9 octobre 1991

Comité plénier de l'Assemblée législative

Listes des députés

Loi de 1991 modifiant la Loi sur les normes d'emploi, (Programme de protection des salaires des employés), projet de loi 70	2825
Étude ajournée	2841

Les députés et leurs responsabilités Comités de l'Assemblée législative
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67 1991

67 1991

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First Session, 35th Parliament

Official Report of Debates (Hansard)

Thursday 10 October 1991

Assemblée législative de l'Ontario

Première session, 35^e législature

Journal des débats (Hansard)

Le jeudi 10 octobre 1991



Speaker
Honourable David Warner

Clerk
Claude L. DesRosiers

Président
L'honorable David Warner

Greffier
Claude L. DesRosiers



Table of Contents

Table of Contents for proceedings reported in this issue appears at the back, together with an alphabetical list of members of the Legislative Assembly of Ontario.

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Table des matières

La table des matières des séances rapportées dans ce numéro se trouve à l'arrière de ce fascicule, ainsi qu'une liste alphabétique de députés de l'Assemblée législative de l'Ontario.

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LEGISLATIVE ASSEMBLY OF ONTARIO

Thursday 10 October 1991

The House met at 1001.
Prayers.

ORDERS OF THE DAY

PRIVATE MEMBERS' PUBLIC BUSINESS

COUNTY OF SIMCOE ACT, 1991

LOI DE 1991 SUR LE COMTÉ DE SIMCOE

Mr J. Wilson moved second reading of Bill 132, An Act respecting the Amalgamation of Municipalities in the County of Simcoe.

M. J. Wilson propose la deuxième lecture du projet de loi 132, Loi concernant la fusion des municipalités du comté de Simcoe.

Mr J. Wilson: The thrust of my private member's bill is quite simple. It deals with the fundamental principle of a democratic society, that is, the right of the majority to determine their fate. Amalgamating municipalities against their will only serves to distance the public from the institutions that govern them and further fuels the widely held conviction that government is not listening to them.

This morning I want to explain to the members of the Legislature why I feel so strongly that the proposal to restructure Simcoe county is and has been seriously flawed from the outset and that the wishes of the majority of the ratepayers in the county have been ignored. Today we have the opportunity to correct the mistakes of the past, to restore faith in our democratic system and institutions and to truly respond in a meaningful and tangible way to the wishes of the people.

While the previous Liberal government allowed itself to be imprisoned by the bureaucracy in the Ministry of Municipal Affairs, we as legislators now have the right to demonstrate that we take our responsibilities seriously and that we are here to stick up for and fight on behalf of our constituents.

Between 1987 and 1990, the Liberal government authored three major restructuring reports which set out to strengthen county government in Ontario. However, at no point was a consensus achieved from the people whereby the people of Ontario agreed to move forward with this restructuring policy.

The last of these three reports was entitled *Toward an Ideal County: Principles and Programs for a Strong County Government System in Ontario*. This document laid out the terms of reference and the process for the county restructuring studies which are under way.

Here we come to one of the fatal flaws in this extremely flawed restructuring process. The previous Liberal government was clearly aware of the public's dislike of both regional government and its strengthened county government that jeopardized local autonomy. The Liberals got around this by downplaying the notion of regional government and stacking the study committees to produce a desired, predetermined result.

Why did Simcoe county embark upon a restructuring process in 1989 that would eventually culminate in its final report of July 15, 1991? Initially, Simcoe county councillors had good reason to believe that to do nothing would invite the provincial Liberal government to swoop down and remake the county in the image it desired. Faced with this prospect, and considering the findings of these Liberal reports, Simcoe county had no choice but to at least attempt to have input into what it foresaw occurring.

The previous government paid dearly at the polls in the last election for its arrogance. However, the trap had been set. Simcoe county was a year into its study and the new NDP government, driven by that very same bureaucracy, was encouraging local studies to continue until completion. Simcoe county, which began its restructuring study so that change would not be imposed, now became imprisoned by its own initiative. Every time it wavered, it was encouraged to continue by an NDP government that was eager to see this "locally driven" study completed.

Eric Beecroft is a political scientist at the University of Windsor. In his review of restructuring in Oxford county, he postulates that local support and initiative are crucial ingredients to the eventual acceptance of restructuring by the people. I do not doubt for a second the quality of Mr Beecroft's assertion that local support is key if restructuring is to prove successful. The difficulty I have is applying the notion of "locally driven" to the Simcoe county example.

I have received a flood of telephone calls and letters from constituents who are anything but supportive of this restructuring process in Simcoe county. My constituent Mr John Porter writes: "It is hard for me to envision any significant benefit which the residents of Nottawasaga township will receive from this restructuring. On the other hand, it is very easy to conclude that tax increases for Nottawasaga residents are highly probable."

Mr William Hall writes: "I oppose the proposals to restructure Simcoe county. I have concerns because of my experience living in Cambridge as a victim of regional government that (1) taxes will rise inappropriately for services provided, (2) there will be a loss of identity, and (3) representation will suffer."

Mr MacFarlane of Glen Huron says: "Nottawasaga should remain a rural community with a rural identity and a rural government. Amalgamations such as that proposed are highly suspect. They are driven by interests other than those of the rural community."

The latter part of Mr MacFarlane's comments, that restructuring studies are driven by interests other than those of the rural community, sheds significant light on another fatal flaw of the restructuring process. The study process has the potential to be controlled by the interests of a few.

There is good reason to believe a lobby developed within Simcoe county council to support the amalgamations and boundary changes. The towns of Midland, Collingwood and Stayner wanted these changes in order to

grab more land and assessment and a larger tax base in order to pay their sizeable debts. The four townships bordering Barrie supported restructuring in order to hold off the city's expansion until the agreed-upon date of 2012. The south Simcoe municipalities supported the changes because they had already been subject to forced amalgamation by the previous Liberal government, effective the beginning of 1991.

Further reinforcing my point is the makeup of the Simcoe county study committee. Five of the nine representatives came from the newly amalgamated towns, so I ask, how could these representatives be truly objective in determining whether the remainder of Simcoe county should undergo a similar amalgamation? Two other committee members were from towns looking for additional land and assessment, while another was from a township bordering Barrie. Eight of nine committee members were representing interests that may be described as not in the best interests of the county as a whole. On top of this, the cities of Barrie and Orillia were asked to leave the study committee, even though they represent an integral part of Simcoe county. This alone compromises the value of the final report drafted by the Simcoe county study committee.

1010

I want to quote from Marc Lalonde, a Liberal, who in 1965 said, "The dispute between levels of government in Canada is essentially connected with the power politics of the various groups of people involved and has very little to do with the welfare of the individual citizens of the country."

These words have added significance in the post-Meech Lake era that we are now in. There are striking similarities between Simcoe county's restructuring study process and the Meech Lake constitutional accord. Both made decisions behind closed doors. Both arrived at decisions tailored to certain interests and forsook the general welfare of the nation, and both forgot about the people. Whereas the drafters of Meech ignored public input, the authors of the Simcoe county restructuring report consulted the public but omitted their concerns, I believe, when drafting the final report. At every public meeting, residents of Simcoe county overwhelmingly expressed their disapproval for the whole restructuring idea. Regrettably, this disapproval was overlooked when county councillors voted on the final report.

I also must question the role of the NDP government since coming to office. The Minister of Municipal Affairs has played a shrewd game of poker with these studies. He has encouraged their completion, yet he has not responded directly to any of the studies.

I would certainly expect support for my bill from my NDP friend the member for Simcoe Centre, who in a memorable debate during last year's election campaign said: "When I am elected member for Simcoe Centre, I would see the proposed restructuring of Simcoe county scrapped. We don't need to become a northern Mississauga." This assertion was also supported by the Premier, who said during the election that the province should tread carefully with restructuring.

I yield the floor to other members. A little later my colleague the member for Simcoe East will further explain

some of our concerns regarding the restructuring process and the study process in Simcoe county.

Mr Drainville: I am glad to have this opportunity to speak briefly to the views set forward by the honourable member for Simcoe West.

I come from a riding, Victoria-Haliburton, where such a study has been ongoing, a study of Victoria county. We encountered a number of problems as well in terms of that study, and there have been questions as to the viability of restructuring. When it came down to the vote in the county council, they voted basically to do away with many of the recommendations that were put in the report. I want to put that in the background as I give my remarks.

There is no question that this whole issue of restructuring is an important one. In fact, quite apart from the comment from the honourable member indicating that the minister has been playing a game of poker—it is not a game of poker at all; it is that in all the realms of possibilities in terms of policies that we have to address ourselves to, this is a very contentious, a very controversial and a very difficult one. It is not so facile as just to say we are going to respond this way or we are going to respond that way as soon as we take power. Rather we have been looking at and trying to see the process that has gone on before, with some questions about that process, and acknowledging that we have to make some changes and move in some different direction, which we would like to do.

I want to say to the honourable member that there is a very clear feeling among those of us who are in government that we need to develop a comprehensive approach to reform while at the same time recognizing the integrity and the diversity and the differences in each of the counties. That has to be stated as we look at our policies and how they will develop in the next while. The minister will shortly be addressing this issue in a very public way. I want to say, though, we have to deal with the views that have been put forward in this House and we have to deal specifically with Bill 132.

Regarding the situation in Simcoe, it has to be stated for the public record that this whole process set up by the Liberal government before was to attempt to see a renewal of the county structure of government in Ontario. There is no question there are flaws. There are flaws in everything we do in government and there were flaws in that piece of legislation as well. But there is no question in terms of the plan put forward that there were some very real things that government was trying to address that had to be addressed by the county government and the local municipalities. There is no question at all either that in terms of Simcoe county, as we see in the final vote of the Simcoe county council, which was 42 to 26, there was a very substantial vote in favour of the report being put forward to the county.

The other thing is that the study was to be completed and was completed by June 1991 and it received comments from every part of the public until the end of October. I realize there are charges in Simcoe county that there was not enough consultation. We always face that in this particular job. People always say after a decision has been made that there has not been enough consultation,

particularly if they differ with the perspective put forward or the change being moved.

In terms of our response at this point, we need to say that these are the important background points to understand about the Simcoe county restructuring; all studies that have been done across the province in whatever county have been locally initiated, that is, people who are involved in the day-to-day operation of those municipalities were involved in those studies. They had an opportunity to be part of that committee and to discuss these things and to put their views forth within the county.

Also, we have to say that all municipalities repeatedly had opportunities to make sure the committee had its particular perspectives taken into account. In terms of any final recommendations that were oriented towards boundary changes, they were proposed directly by the individual municipalities involved.

The last and most important thing is to understand that to accept the bill as put forward by the honourable member today would in a sense take the government prerogative to deal with this issue across the province and put it into some jeopardy by saying, "Oh, no, not Simcoe county." In fact the minister has the obligation to respond to this and ensure that the good of the whole of the province is also taken into account. That is what his role is as Minister of Municipal Affairs.

In conclusion, I would like to say to the honourable member that I agree there are some questions about the way things were done. Certainly I have questions about the way they were done in Victoria county. To indicate that somehow this bill is going to correct that for Simcoe county I do not believe, nor do I believe it would be helpful in terms of the work of the Minister of Municipal Affairs in trying to establish a policy for the province. So I have to say that I cannot accept this bill as put forward and I will be voting against it.

Mr Mahoney: I intend to speak in support of the bill and wonder what the honourable member has against a northern Mississauga. I was somewhat dismayed to hear that reaction, but I will get over it and I will continue to support the honourable member because I think he put forward an issue that is very fundamental.

I am somewhat disappointed to hear the honourable member for Victoria-Haliburton say he cannot support the bill, because the fundamental aspect of this bill, particularly in private members' public business, is that I firmly believe the best government is the government that is closest to the people. They are the people who can understand what is best for their particular community.

What the honourable gentleman opposite has said is that if we were to support this bill—I believe this is close to the exact quote—it would take away the government's prerogative to make a decision with regard to Simcoe county. Since when should any government have the prerogative, the ability to force something on the citizens of a local community that they do not want? I just find that repugnant and believe there must be a process put in place that allows for the people in the county of Simcoe to make a decision through their elected representatives as to what is particularly best for the structure of their community.

1020

I would like to touch for a moment on the task force set up by the former Minister of Municipal Affairs, John Eakins. I was asked to serve on that task force because, as some members would know, I spent the better part of 10 years at the municipal and regional level as a councillor in Mississauga and a councillor in the region of Peel and I have some background and understanding of the difficulties and concerns facing local government. I enjoyed very much the opportunity to travel around the province to the various communities.

I should also tell members that I spent three years on the board of directors of AMO, the Association of Municipalities of Ontario and, as a result, had an opportunity to talk to a lot of folks not only from counties like the Simcoe community but from all across the province about what affects them and what concerns they have. It is unfortunate that the member would see that task force as a negative deed by the former government, because my experience was quite the opposite. I came to the conclusion that the people in the counties did not want regional government or restructuring or anything of that nature forced on them without their having a clear-cut opportunity to discuss it, debate it and take it to the people.

The message was driven home loud and clear to me in all the counties I visited across the province as part of that task force. Contrary to what the honourable gentleman has said about the performance of the former government, I think if we did one thing really well, we listened to the people at the county level. We went out on a task force and we talked to them. We had meetings with them, spent time in their communities, toured their communities, had lunch with the reeves and the councillors, met with the local business community, talked to various interest groups in those different communities and tried to get a focus, a handle, an understanding on what it is they wanted.

If there was one thing that came across loud and clear in those deliberations, it was: "Let us control our own destiny. We realize that we are creatures of the province. We realize that we need legislation to do whatever it is we want to do, but we'd like as much of that legislation as possible to be permissive legislation. Give us the authority with which to make our own decisions and run our own lives."

Frankly, that is what I see Bill 132 doing. It simply says to the government: "Look, Simcoe county is particularly concerned if you're going to come in and take the map and a crayon and start drawing lines. You're going to create little feuds, neighbour against neighbour, family against family, an upheaval in the community that is totally unnecessary."

They say they do not want to become a Mississauga north or a north Mississauga. I remember well in 1974 when we amalgamated the communities of Port Credit, Streetsville, Cooksville and all of these wonderful communities within the city of Mississauga. We formed a city and we formed the region of Peel at the same time, and I remember well that there was a fair amount of acrimony over doing it.

But I also remember, with all due respect to the government of the day, that it allowed for a public process to take place in the community, for debate and dissension to take place in the community and for the local representatives to be involved. The current mayor, Hazel McCallion, was very actively involved at that time as the reeve of Streetsville and, as members can appreciate, would have been somewhat outspoken against the formation of regional government. But in a constructive way, at least the opportunity was there for the community to set its course and set its destiny.

Notwithstanding the fact that there were a lot of people opposed to regional government, I will admit that at least the opportunity was there for debate. They did not go quite as far, however, as this member would have this government go in respect of local autonomy and local decisions. What this bill says is that restructuring should not be allowed "unless the council of the affected municipality, by resolution, consents to the amalgamation."

Were that kind of philosophy to have been in place, were this member to have been a member of this Legislature at that time and be in support of a similar bill for Peel, today we would not have the region of Peel, in my humble opinion. However, the important thing is that the dialogue at least took place. The concern the counties have expressed is that bigger is not necessarily better. Frankly, as a resident of 22 years in the city of Mississauga and a member of that council, I can tell the members that is true.

The one thing we have striven to do in our community that would support the concept put forward by the honourable member is to preserve our neighbourhoods and our communities. In my own city, even though it is part of a massive region of 500,000-plus people, even though we have what would appear to be certain duplications, we have some excellent services such as the Peel Regional Police Force, one of the finest in Canada. We have an ability to deliver social services on a regional basis with one of the finest departments.

We have a non-profit housing company that is the model of non-profit housing. I know the Conservatives do not like non-profit housing but, as the past president of that company, I happen to be very much in support of it. It is one of the finest housing corporations in all of Canada. Indeed, it is used and held up as the model for establishing non-profit housing programs and projects throughout this country. We have some very fine, first-class services.

At the same time, there are people who would say there is duplication. As we are part of that as a city, I think what makes it work for us is that we have the ability to maintain our grass roots. We feel we have a sense in our community of actually having something to say. Frankly, if this government is not prepared to support what really is a very innocuous, albeit a very good resolution—I say it is innocuous because it simply says "Don't do this unless the people agree"—if the New Democratic Party does not agree with that principle, I for one would be quite astounded.

I do not mean to be partisan on this issue. For years I have heard candidates from that party talk in terms of supporting the grass roots, of listening to the people, of providing a forum, an opportunity for people to have their

say. If this government were now to throw this resolution out and defeat it, I could only interpret that, and I would respectfully submit the people of Ontario could only interpret that, as meaning those principles have been thrown out with it, those principles that the rank and file of the New Democratic Party have held close to their heart for years; at least we have been led to believe it is close to the heart of that particular institution.

I think it is a very critical vote for the members of that party. Considering that this is private members' public business, there would presumably not be a whip on. The members presumably would have the ability to stand up and vote in whatever way their conscience suggests is right and fair. If I am wrong on that I would be quite concerned, because over the years we in our party have had debates, as I am sure the third party has, about how exactly Thursday morning's private members' hour should function.

It is called private members' hour for a reason. It allows the member for Durham East to make a decision based on what he understands he would want in his community. It allows the member for Oxford to make a decision based on what the folks in Oxford really feel, not based on what the Minister of Municipal Affairs tells them to do, not based on what the Premier tells them to do and not based on some platform that has been cooked up in the caucus room of the New Democratic Party.

1030

Notwithstanding that the honourable member for Victoria-Haliburton has spoken against this, I sincerely hope a number of them on that side of the House, the member for Sault Ste Marie and others, understand the importance of local representation and the significance of giving people the opportunity to make a choice at their local level. I hope a number of them recognize, as I said in my opening remarks, that the best government is the government closest to the people. The best way to ensure that government functions is not to hamstring it, not to dictate from some great 12th floor in the Whitney Block that this is how it will do things, not to send policy from Bay Street and Bloor Street to wonderful communities like Simcoe county, but to allow the local representatives an opportunity to express the will of the people.

There was a suggestion that the council voted in some way that was unacceptable. I very strongly believe it is the responsibility of the duly elected municipal politicians to listen to the concerns of their communities, to weigh the pros and cons, to look at the benefit and deficit sides of the issue and then to make a decision based on what they feel is in the best interests of their communities. If that council decides to vote in a certain way on a certain issue, who are we to tell it how it should do it? That is exactly the kind of Big Brother image we have to get away from. When I was on council we used to refer to the senior level of government in Ottawa or at Queen's Park. We should seriously consider looking at a reversal of that if we truly believe that the democratic process is important and that it is important to give people their say. The senior level of government should be considered that government which is closest to the people.

The restructuring of this county may indeed turn out to be the right thing to do. Frankly, being from the Mississauga community, I am not prepared to make a judgement on that. As the critic for Municipal Affairs, however, and as someone who I like to think has a background in municipal affairs, I am not prepared to come down with some great judgement from Queen's Park and tell these folks what to do. When the honourable member speaks, he should recognize that it may be in the best interest of Simcoe county to form some type of restructuring.

As I said before, notwithstanding the negatives, there are services provided on a regional basis in Peel. We provide the water and sewer treatment services. We cut a deal with the province to take that over. The negative side of that is that our water and sewer bill used to be in the taxes. They took it out of the taxes. The taxes went down for about 30 seconds. Then they put it on the water bill. The water bill went up and the taxes went back up. That is something that everybody at every level of government, if responsible for that, has to answer for.

It is not black and white, I suggest, and that is why Bill 132 is such a fair, balanced, well-thought-out and simple bill that says, in very simple, direct language: "Leave the power with the people. Don't force it on them unless the council of the affected municipality consents by resolution to the amalgamation." I will be supporting the honourable member in his efforts.

Mr McLean: I am pleased to rise today in support of Bill 132. This bill will bring a good discussion on county government, something we have not had in this Legislature since the previous administration brought in some changes, when the government of the day established a consulting committee in, I think, February 1988 to seek input into county government.

I believe reform was a move to decrease the number of municipalities, which the ministry officials wanted very much to do. This committee developed about 41 recommendations aimed at strengthening the system of county government. The aim of it really was to do away with small municipalities. Also, whether you were a mayor or reeve would depend on the population. I want to give a little background with regard to how this restructuring has taken place in the province.

In January 1990 the government announced that eight municipalities in south Simcoe would be amalgamated into three larger ones. That resulted in the amalgamation of Cookstown and Innisfil into one municipality, Bradford and West Gwillimbury forming a second and Alliston, Beeton, Tottenham and Tecumseth joining to create a third.

I indicated my reservations with regard to restructuring in Simcoe county when this proposal was first announced. I have been opposed to regional government—we have seen what has happened over the past many years—and I felt this was another form of regional government. I believe the entire process involved in the restructuring of county governments in Ontario was flawed from the very beginning. The task force that gave us the Tatham report consisted of eight members of the provincial Legislature. All were from one party. My colleague George McCague, who was the member for Simcoe West at that time, raised

the issue in this Legislature. He felt it should have been an all-party committee.

The same minister who imposed restructuring on south Simcoe prior to the study process was looking at the rest of the county. But at the time the process took place in south Simcoe, the ministry felt there were some pressing problems. They did not feel it could wait for the rest of the county to be looked at, so the minister of the day proceeded and went ahead. Bill 177 made the amalgamation take place in south Simcoe.

County council asked to undertake the study, with assistance from ministry staff, for the rest of the county. The committee structure was a farce, even though its membership was duly elected at county council. Public hearings were mainly held with the municipal people, yet there was some public consultation with other than the municipal people. My colleague mentioned before the structure of the committee. The study committee considering the restructuring of north Simcoe consisted of only a very few elected members from the area to be amalgamated. There were approximately three from the area. The rest were from south Simcoe, which had already been restructured.

They will say they were duly elected at county council to sit on that committee, but to me that was still a problem because of the fact that the members from the north were not the majority, or even 50%. There was an enormous amount of wheeling and dealing at county council. The new boundary lines were drawn up about two weeks to a month after the committee was set up and most of the work was done by the ministry staff. How could they have maps so soon after a committee was put in place? I remember back to the early 1970s when they had the old Toronto-centred region report. It was circulated and I believe the ministry staff continued on with that report. That is where they got their boundary lines drawn.

In county council, we have seen one reeve dealing with another reeve with regard to the boundaries. Should Washago be in Rama or Mara or should it be in Orillia township? One reeve was making a deal with another reeve, with no public consultation with the people living in that area as to whether they felt it was a good thing for them to be living in a certain community or another, as to which municipality they wanted to live in.

There was a great concern with regard to the voting that took place in county council, all this taking place when the county council first voted down having an official plan done in the county. How can you have restructuring taking place in a county when you do not have any planning process in place, simply no planning? The views of the two largest municipalities, the city of Orillia and the city of Barrie, have to be given serious consideration when you are dealing with a county. Do members know what happened when the process was halfway through? The county council kicked the members from Barrie and Orillia off the restructuring committee. How can you have a total restructuring of a county when you have five members kicked off the restructuring committee?

That should have been halted right there. That was where the work should have stopped. However, they were permitted to continue with these deliberations

over the objections of numerous individuals and municipal governments.

1040

Simcoe county approved the restructuring report on July 23, 1991, paving the way for a major revamping of boundaries, presentations and the delivery of services. There is an interesting point I want to make here. What happened was that the county turned over the county study to the province without Barrie and Orillia having had any input into it. In essence, the county said: "Here you are, Minister. You now complete the restructuring of Simcoe county."

Barrie has a plan. They want further amalgamation. They want more land. Orillia wants more land. They had a plan whereby they had some drawings done that they felt would fit in environmentally and land-wise in that municipality. But there were no negotiations with the townships of Oro, Vespra and Innisfil, which abut the city of Barrie. Do the councils of those municipalities feel they got a good deal by adjusting their boundaries with abutting townships without dealing with the city?

I am here to tell members that the province is now going to determine what the boundaries of those two cities are going to be, and those municipalities surrounding them are not going to have the input they thought they were going to have. I can draw lines now where I think the restructuring is going to end up around Barrie. You can go out about a lot east of Shanty Bay. You can go north to 15 or 16 Side Road. You can go across to Highway 400 and north to the Dalston cutoff. Go west again and you will take in the county buildings and the new Taj Mahal of the education centre in the county of Simcoe. These reeves and councils are not going to have any input into that.

What say do the people have who live in that area surrounding the city, what input into what is going to take place? I hope the member for Simcoe Centre will stick to his guns on the statement he made during the election.

Mr Mills: That was then, this is now.

Mr McLean: "That was then, this is now," the member for Durham East says. It is going to be interesting to hear his quotes today on that. The member for York South said: "Restructure with care. All concerns have got to be taken into consideration. Don't force it on them." The member for Simcoe Centre: "No restructuring in Simcoe county. We don't want another Mississauga."

We get all kinds of letters indicating the problem they are having with amalgamation. Bill 132 is not going to solve all the problems, but it brings us here today to have a good discussion on what is happening. The warden of the county said, "If we don't do it, the province will." Where were these words coming from? Were they coming out of the minister's office? This is why they said they had to do it. The county has had its vote and it has had its negotiations within the county. It sawed off parcels of land here and there, with no public input. The parliamentary assistant today says he is not supporting this bill. It will take away the prerogative to place restrictions on the county of Simcoe. Does the government not want to hear from the grass roots? Does it not want them to have their say?

It is wrong when we have municipalities and members of a county drawing lines without any planning and when no consultation has taken place. Can the large urban areas stand to have a large amalgamation take place when 50% of their tax bill now goes to education? Are they going to build new fire and police stations and a new maintenance building on less than 50% of what they have left? The people in the urban areas have to have a concern about this restructuring, as well as the rural people. If they think that because they are amalgamating their taxes are going to be less, I am here to tell members they are not going to be less. They will be more, because they are going to have to supply all of those services.

The best thing to do is to put the question on a ballot. Why did they not wait until the new councils were elected? Of the seven municipalities in south Simcoe that are being amalgamated, the representation of those people who had the vote on the proposal is going to be cut almost in half. In essence what we are saying is that people who are being amalgamated have less say than the people who are already amalgamated.

Does Midland, with its expanded boundaries, feel it is going to gain, get control of more land? The hospital would be amalgamated into Midland, and the shopping malls. But what is going to happen to poor Tiny township when it loses all its assessment? Tiny's major assessment is its lakeshore property, Oro's major assessment is Shanty Bay and the lakeshore, and Vespra's major assessment is Midhurst. What is going to happen when Barrie brings in its plan of what it feels should happen? The public will not have any say. It will be the city dealing with the county and the province, and do members know what happens when civil servants want their way? It is pretty hard to change it.

In essence this bill brings in today a major discussion with regard to county restructuring. I think the process that has gone on is not the province's fault. The process was followed, other than the fact that the county asked to be restructured; really what it asked for was to have a study done to determine whether there should be boundary changes. But within a month after the committee is struck, here we have a map showing us where the boundaries should be. I am telling you, Mr Speaker, somebody was thinking a long way ahead of how he was going to manipulate restructuring in Simcoe county, and I do not like it.

I think there is a need for some minor restructuring to take place. They should have a consultant do a planning study of the county to determine whether some areas are feasible to be within those boundary negotiations. Who is to say where the lines should be drawn, without any input, without any impact study taking place? The first thing the county turned down was doing a study. That should have been the first thing that was done before the boundary lines were drawn.

There have been hundreds and thousands of letters and calls from constituents in my riding and in Nottawasaga township, Devils Glen. Restructuring is key to Coldwater voting. We have a quote from the reeve of Coldwater, who voted in favour of restructuring. He says negotiating the best deal for the village under county restructuring is another

one of his aims. What happens to our boards for the village under county restructuring? What happens to our municipal office? What happens to our other boards we have within the village? These are all questions that are being asked by the individual who voted for county restructuring to take place.

What should happen is that a five-year moratorium should be put on county restructuring in the county of Simcoe. Call it to a halt. Let the people put it on the ballot or let the people be heard. The people are not being heard in this whole process. This government here is saying it is the government of the people. For goodness' sake, they should have their minister withhold any further developments in the county of Simcoe restructuring until we have time to look at it and make sure it is right and proper. Let the people decide what should happen.

1050

Mr Wessenger: It is a pleasure to have an opportunity to debate on matters in which I have had some interest for many years, having at one time been a former alderman in the city of Barrie, having been involved with the Simcoe-Georgian Bay task force and having a background of interest in the planning area.

I think what we should look at first is really the overall, basic principle behind the concept of restructuring our municipalities in Ontario: that in much of this province we have not had ideal development. We have had a great deal of urban sprawl, which has proved very expensive for the province. We have had environmental problems arising as a result of development on unserviced land. We have had severance policies which have been very uneven in certain parts of Simcoe county and in certain parts of the province, which have created bad development. We have environmental problems in the county of Simcoe. Lake Simcoe is at risk environmentally at the moment because of phosphate runoff. There is a problem with respect to the amount of growth that presently can occur around Lake Simcoe because we do not have the technology to deal with that growth.

We have water problems in south Simcoe, a lack of water in the Beeton-Tottenham area and in the Bradford area. We have the problem of assessment planning, whereby commercial and industrial growth is not occurring in the best place but is occurring because it suits the economic interests of each municipality.

Second, we have attempts to have some rationality with respect to the relationship between provincial and municipal governments with the Hopcroft report, with the idea of trying to have clear responsibilities for both municipalities and the provincial government, and we have the aspect of having a rational system of financial responsibility between the provinces and the municipalities, with the clear indication that the level of jurisdiction that provides the service really ought to pay the cost. So we have all this in the background.

We have an antiquated system of municipalities in this province. A lot of them are too small to be viable; many in Simcoe county are too small to be viable. How do we deal

with this problem? We have to have some way of dealing with it, we have to have some new structure.

There are alternatives. One alternative is to let the province do the planning for those areas that do not have viable municipalities, but that, I think, takes away from strengthening local government. I do not prefer the option of having the province take over the increased responsibilities where you do not have the municipalities able to take on that role.

The other role that has been tried is the regional development role, where you have the transfer of a great number of services to the regional level. The difficulty with that is that it has included a great deal of tax increases and a great deal of bureaucracy and a great deal of criticism that people feel isolated.

The interesting thing about the Simcoe county study—I am not talking about the boundary aspects, because the government has not made any decision on the specific boundaries or whether it will be implemented, etc—which I see, which I support in principle, is the idea of creating strong lower-tier municipalities. That is the model I prefer.

First of all, it keeps taxes lower and it makes government closer to people, and that is the proposal put forward in the Simcoe county study. I am very supportive of that, and I must say, certainly talking about my riding, I have not had the calls about the restructuring. I must admit there is a problem with respect to the city of Barrie being left out, but that is being dealt with. The ministry is consulting with all the municipalities and the city of Barrie and the city of Orillia with respect to how it is going to proceed in this area.

When you look at all the alternatives, the alternative that I think is the best in principle is developing strong, viable, lower-tier municipalities in any restructuring that occurs in this province. Therefore I would ask you to reject this bill, because let me just say, having lived in Barrie when we went through an attempted amalgamation, attempted boundary changes, we will never get every municipality on side. It is completely unreal ever to expect that to happen. A provincial government has to have the power to make the ultimate decisions.

Second, this legislation makes no sense because it applies to one area only. It does not apply generally throughout the province. Therefore I would ask you to defeat this bill.

Mr Mills: It is a pleasure to rise in the House this morning. It is always a pleasure to talk to private members' bills, and it is a pleasure to see you in the chair this morning, Mr Speaker. I have not publicly given you my good wisdom of welcome, but I do so here this morning.

I can speak to Bill 132 that has been introduced by the honourable member for Simcoe West because I lived in Simcoe and, like my colleague for Simcoe Centre, I also served on the city of Barrie council during some very trying times when we annexed parts of Innisfil township, Vesper and Oro. I can tell members that it was a very traumatic time. We could get no consensus of opinion about what we should do about anything. Then we had extensive meetings with the public.

I agree with the member for Mississauga West that the best form of government is the one closest to the people. I

remember back in my time being violently opposed when they increased the term of office of municipal council people from two years to three years to make them less accountable to the public.

I have some serious concerns about this bill in so far as I can speak as a resident of the region of Durham, which went through the same sort of traumatic upheaval a few years ago, I believe at the behest of the then Conservative government. But it has done some good things in the region of Durham. It has made for better policing—I know you share my concerns about community policing, Mr Speaker. If the restructuring goes ahead, it will allow for the concept of greater community policing in so far as now each little village, community and municipality, in some cases, is policed on an ad hoc basis by the Ontario Provincial Police. It addresses the need for overall planning. Too often we see strip planning and planning that is not in the best interests of all the folks who live there.

If services are to remain viable I believe you have to have some form of amalgamation. To make municipalities remain viable you have to get together and amalgamate. It creates a strong local government.

I do not think it will be smooth. I think there will be all kinds of obstacles along this rocky road to amalgamation. I was surprised to hear the member for Simcoe West say there was not agreement on this. I have a note that says there was strong local support for this study, and also that the Simcoe county study, which was locally initiated, was accepted by county council by a vote of 42 to 26. It would seem to me there is some strong local support for this amalgamation, contrary to what the member suggests.

Government is considering a wide range of options for the direction of county government reform. I know the ministry is developing a comprehensive approach to reform while at the same time recognizing the diversity and differences that exist among the councils. I know that local comments and concerns are also being addressed. I am afraid I cannot support this bill because it takes away the role of the government.

Mr J. Wilson: I would ask the member for Durham East, if there is strong local support for restructuring, then why are 14 municipalities putting the question on their ballots on November 12? I do not think there is strong local support. There is a great deal of confusion out there.

I have endeavoured to highlight some of the flaws with the restructuring process specifically as it has been applied in the county of Simcoe. I have done so as a means of impressing upon my friends here in the Legislature the need to support my bill. Because the restructuring process can be hijacked and is often flawed, municipalities must be given the right of choice. They must have the right to decide whether their residents want amalgamation or the status quo. That right to date has been stolen from the residents of Simcoe county.

The continued existence of our political system is contingent upon our ability to be responsive to the public. The public has grown resentful of politicians who refuse to represent them and who repeatedly pass legislation that is not in their best interests. My private member's bill is a piece of legislation that helps both the public and its

elected representatives, because it entrenches power where it rightfully belongs, in the hands of the people.

I have often heard the Premier and the NDP speak about democracy and the underlying principle that the people must be trusted to make their own decisions about what is best for them. In the election campaign, I and my colleagues had clearly learned the lessons of the past. We know that the people did not send us here so that we would turn around and tell them what is good for them. No, that nonsense must stop. We are the servants of the people. Our job is to stand up and to speak out on their behalf. They send us here to represent their views, and we must always put our best effort forward to ensure that their hopes, dreams and aspirations come true.

I ask all members of the government and members of the official opposition to join with me and my colleagues in supporting my private member's bill. We should learn from the mistakes of the past, trust in the collective wisdom of the people and give hope to democracy.

1100

FARM INCOME

Mr Mancini moved resolution 36:

That, in the opinion of this House, given the crisis facing Ontario's agricultural economy in dealing with high input costs and low prices, which have fallen by 35% this crop year for grains and oilseeds and which have remained at depressed levels for other crops and the livestock sectors, and taking into account the fact that long-term federal-provincial price and income support programs are not scheduled to take effect until next year; given the extensive crop damage in southwestern Ontario this summer due to drought, particularly in Essex and Kent counties; given the importance of ensuring the survival of Ontario's family farms, and given the continuing policy of the NDP socialist government to ignore the problems facing the economy of rural Ontario, the government of Ontario provide immediate emergency agriculture funding in order to maintain the viability of the rural economy and family farms.

Mr Mancini: This is the continuation of the agricultural debate that has received high priority in the Legislature for this fall sitting. Why has it received high priority? Because some members in this Legislature have used all opportunities at their disposal to ensure that agriculture was in fact debated in committee.

I refer to the standing committee on resources development, a motion that had been put forward by the Liberal leader, the member for Bruce, an opposition day motion that had been put forward by the leader of the Conservative Party, and now my only opportunity for a private member's resolution for quite a period of time, given by myself freely in the interests of agriculture in Ontario.

Why have we done this? We have done this because the government has been reluctant to intervene in an appropriate way to save Ontario's rural economy, the family farm being the basis of the rural economy.

I want to quote for the record a letter sent by the Ontario Corn Producers' Association, a newsletter dated October 1991. It says, "State of Emergency." On page 3 of

the letter from the corn producers, they are talking about the ministers of the day:

"We have received no commitments to date, but at least we have captured the attention of the federal ministers with our crisis campaign. We wish that we could say the same for the Ontario government. As of early September, Mr Buchanan, the Ontario Minister of Agriculture and Food, had not met with major Ontario farm groups on the income crisis, and to our knowledge he has not yet visited Kent and Essex counties where the effect of low prices has been compounded by severe 1991 summer drought.

"The minister has given no indication that his government intends to do anything about the income crisis other than offer sympathy and pocket the \$4 million in gross revenue insurance plan payments, in GRIP premium rebates, which was given to it by the federal government via its announcement on April 18, 1991.

"Murray Elston, leader of the Ontario Liberal Party and official Leader of the Opposition in the Legislature, has called for an emergency meeting of the resources development committee of the Legislature. As of date of this writing, the Ontario PC House leader has supported this request and the NDP House leader has not."

Since that newsletter was sent by the corn producers, a number of things have happened. We have in fact had the standing committee on resources development hearings that I spoke of earlier. We have indeed got some attention from the Ontario government. The minister indeed did make one very quick visit to Essex county—I am not exactly sure how many farms were toured; I am not sure how many acres of destroyed crops he was able to see, but he did make one short visit—and we did have an announcement by the government. What did that announcement do? Put in plain and simple terms, the announcement, as far as the government is concerned, basically gets the Ontario NDP government off the hook, and now it wants to wash its hands of the problems facing Ontario's rural economy and the family farms in Ontario.

I say to the NDP socialist members we are not going to allow them to do that. We are not going to allow them to wash their hands of the difficulties facing Ontario's rural communities because they announced one \$35-million program. In their Agenda for People during the last election, they promised \$100 million and it did not have anything to do with the crisis that we are facing today, and of the \$100 million they only forwarded to the farmers \$50 million.

We were in committee only a few short weeks ago, and socialist mathematics is something to behold. We were told by the minister that the \$50 million the government had allocated to the farmers, to the rural economy of Ontario, in fact equalled \$100 million. That is what we were told, and we were expected to believe that. We do not believe it and neither do the farmers. Rural Ontario is waiting to be treated in the same manner as the government treats unionized industrial and government workers and doctors in this province. That is what we are waiting for.

The Treasurer of this province has consistently said that it is the members of the opposition who pit one group in society against another group. I say to him that the opposite is true. It is the NDP socialist government that is

doing that. They are the ones who very clearly said early in their term, "We have lots of money for doctors." They said it and they made a deal with Ontario doctors and they put up the money. They delivered for the doctors.

They said that early in their term and they took action in a number of areas where industrial jobs were threatened. They were willing to pour out hundreds of millions of dollars at the request of the union bosses here in Ontario. They were willing to buy into de Havilland to protect industrialized jobs. They were willing to raise the wages of nurses. When it came to farmers, never have I seen such a measly effort: \$35 million for 60,000 farm families who feed Ontario, who export billions of dollars in farm-gate value, who support the rural economy.

If we divide 60,000 families into \$35 million, we get a whopping \$580 per farm family. If we had the time to do some interesting mathematics, I would say that some of the highly paid civil servants we have in our government, whose wages were increased anywhere from 11% to 14% by this government, must have got a \$580 increase bi-weekly, and they are not in a financial crisis in the way the farmers find themselves today.

1110

We brought to the minister's attention the problems of the drought. Let me read to the members some of the headlines that we have to deal with every day. I know they are comfortable over there. I know they are very comfortable. "Another three and half years before the election, you know, so we can maybe get by without really helping the farmers this year. If some of them go bankrupt, at least we have helped the other people we were concerned about."

October 8: "Drought Sours Prospects for Owner of Sugar Bush: The Sugar Maple Trees Are All Dying."

"Region's Farms Ravaged by Drought of 1991," Windsor Star, August 20. It shows a farmer from the Chatham area plowing under his crop instead of harvesting the crop.

"Farmers Fight for Their Lives," August 7, Windsor Star.

"Belle River Farmers Gathered Together to Talk About Their Plights: Generation of Farmers Will Be Lost, Say Officials of Agricultural Group," Amherstburg Echo, August 8.

"Drought Has Been Rotten to County Tomato Fields." Leamington, the tomato capital of North America, maybe the world, has been devastated.

"Essex County Declared a Disaster Area." The county of Essex, at its county council meeting, declared our county a disaster area.

The Acting Speaker (Mr Farnan): Order. The member's time has expired. We will return to the member later in the debate.

Mr J. Wilson: I am pleased to join in the debate today on the motion regarding agriculture put forward by the member for Essex South. I am pleased to support the motion on behalf of my colleagues in the Ontario PC Party. I would say to the member, though, I think the motion is a little late in the sense that my leader put a motion forward that was, frankly, voted against by the NDP.

An hon member: When was it?

Mr J. Wilson: It was a motion some two weeks calling upon the government to give real financial assistance to farmers. The NDP voted against that motion.

I again commend the member for Essex South for his motion today because it also fits in with what we were discussing in the last hour, my private member's bill which fights for the rights of rural Ontarians. All indications I have from the government members in their speeches are that once again at noon today they are going to vote against rights of rural Ontarians.

Whether we are talking about forced restructurings or amalgamations or support to farmers, it is essential that this government start to act for all Ontarians, not just for the big unions. In my remarks last week around the farm crisis in Ontario, and in response to the motion of my leader, the member for Nipissing, asking for further assistance for farmers, I mentioned some of the same points that the member for Essex South has mentioned this morning. They are able to come up with \$250 million through Ontario Hydro to bail out Elliot Lake and Kapuskasing, some 6,000 jobs. They are able to come up with \$150 million for the Canadian Auto Workers, for Bob White and de Havilland, for which there were supposed to be, I believe, some 4,600 jobs. Since then de Havilland has announced the layoff of some 1,300 or 1,600 workers, so there are even fewer jobs they are trying to maintain and protect there, and de Havilland is a sink-hole for the taxpayers' money.

The federal government had the good sense to finally get out of the business of building planes. Every time one comes off the production line, it loses money. The more bloody planes they build, the more money they lose. Throwing more taxpayers' dollars at that company is not the way to go.

We are firmly on the record as opposing that, only because we say to the government: "You've got a \$9.7-billion, a \$10-billion or a \$12-billion deficit this year, unheard of in the history of the province. You're going to double the province's debt over the next four years. Pity those of us who will succeed you in government, because we will have a very difficult time redressing and correcting the economic disaster you guys are creating for this province."

I go back to priorities. This government has no priorities. If it does, its priorities do not reflect the needs and rights of the people of rural Ontario. I am proud to represent a riding that has a pleasant urban-rural mix, the riding of Simcoe West. My largest municipality is the town of Collingwood, with some 12,500 people. I have some other towns and villages, but I have a great deal of rural area.

I have a great number of farmers who are among those 60,000 farm families in Ontario that are suffering. If the government would get its priorities straight, be honest and come clean with the people of Ontario, it would tell us and show us by putting more money forward in the area of agriculture.

For every \$1,000 in support we give to farmers, statistics and studies indicate the return farmers put into their local communities is sevenfold. There is some \$7,000 worth of economic activity generated in their local communities and the farm community for every \$1,000 of

support; not losing money as every time a plane comes off the assembly line at de Havilland. These people, the good people in farm families, produce food that we enjoy eating. They produce economic activity that is positive.

The government says so often, and it is only talk to date, that rural Ontario and a farm strategy will be part of its industrial and economic strategy. First, it does not have an industrial strategy. Second, its economic strategy to date is a disaster, and at every opportunity in this House and outside of this Legislature we try to steer it on the right path.

The government pays lipservice to rural Ontario, but emotion has to come forward. The member for Essex South spoke so eloquently about the need of farmers in his area, particularly with the drought situation in his area, but it is just as true in my area and in all other areas of Ontario. There are 60,000 farm families that are looking to this government for assistance.

The day after my leader brought a motion into this House asking for assistance, the government managed to come up with \$35.5 million. It pales in comparison to the money it has been able to give to big unions. The \$35.5 million is not enough. With prices having bottomed out in the grains and oilseeds sector, and with this government's failure to sign on to the net income stabilization account for this crop year—it is not signing on to NISA until next year—we know there is a gap there. The federal government is turning away from short-term programs and going with NISA and the gross revenue insurance plan for the long term. This government is going long term starting next year; \$35.5 million this year. We know the need in the grains and oilseeds sector is some \$124 million. It is far short of what the real need is out there.

Farmers are getting antsy about this. They are respectable people who normally would not take up a picket sign. They were not brought up in the ideology of the government members' party where they used to picket for ever. They are respectable people who have better things to do than picket those people, better things to do than to meet in Lucknow, which they did a couple of weeks ago and which members of my caucus attended. Over 1,000 farmers there were trying very desperately to get the government's attention.

I think the member for Essex South pointed out that the Minister of Agriculture and Food has done some touring but has failed to grasp the need out there. He has failed to convince his caucus colleagues and his cabinet colleagues around the cabinet table of the degree of need out there. Clearly the government's priorities are somewhere else.

I have a theory that the government is planning on never really addressing the needs of all Ontarians, because probably its pollsters and Gerry Caplan and the backroom boys in the Premier's office tell it that it only needs 38% of the vote to win the next election. It can ignore the vast majority of Ontarians as long as it keeps the unions happy, as long as it keeps what we call the 1991 NDP coalition happy. If it keeps that 38% happy by doing the pappy socialist crap it is doing, it will probably win the next election.

We are going to do our best, as members of the Ontario Progressive Conservative Party, to show the people of Ontario the government's true agenda. We know for a fact that the true agenda does not include rural Ontario, that the true agenda does nothing to address the needs of the 60,000 farm families in Ontario.

1120

I am pleased to support this motion. In addition to the motion and the very strong resolution brought forward by my leader the member for Nipissing two weeks ago, it is sad that another motion dealing with agriculture has to come to this House. Those people sit there and heckle and laugh and seem to have no concern for rural Ontario. We are not going to take it any more and farmers are not going to take it any more. They are getting organized, because the government seems to like organized people. The government will hear loud and clear, and should be hearing now loud and clear.

We met last night. My good colleague the member for S-D-G & East Grenville—sand, dust and gravel and East Grenville—spoke at a public meeting in my riding last night in the village of Creemore. A great number of people showed up to hear our comments and hear about this government's response to the farm crisis in Ontario. There were a lot of concerned people at that meeting. They recognize that the government has not lived up to its responsibilities to rural Ontario, that it has not exercised rights it is willing to give to other sectors, particularly big unions. It is willing to give them rights, but it is not willing to help farm families.

It is a sad day in this Legislature that we and our colleagues in the Liberal Party once again have to remind this government of the serious need that is out there in the agricultural community.

Mr Hayes: I might say to the two previous governments, welcome aboard. I am very pleased they are finally seeing the plight of farmers in this province.

Mr Villeneuve: Why did you vote against our motion the other day then?

Mr Hayes: I compliment the member for Essex South on the resolution. I think it is a very good resolution. However, I would say it is about 10 years late.

Mr Villeneuve: Where have you been the last 10 years? What was the price of commodities then? Come on, Pat, be honest.

Mr Hayes: It says "given the continuing policy of the NDP government to ignore the problems facing the economy of rural Ontario." Let me say that this government is committed to Ontario agriculture and the food industry. We listen to the farmers and we act.

Mr Villeneuve: Careful. You are going to break your arm patting yourself on the back.

Interjections.

Mr Hayes: The Minister of Agriculture and Food, along with myself and other parliamentary assistants, the member for Huron and the member for Chatham-Kent, and many of my other colleagues on this side met with farmers, farm groups and rural organizations last fall to

discuss farm finances. Farmers told me when I went around the province that their interest costs were too high. We responded at that time with the \$50-million farm interest assistance program. That was welcomed by all sides of this House.

Mr Villeneuve: It sure was. What was in the Agenda for People?

Mr Hayes: Unlike other governments, we did that. We did not wait until the budget to do it, because we saw the immediate need and we did it right away.

Interjections.

The Acting Speaker (Mr Farnan): Order. I would ask for the co-operation of all members. Unfortunately, since the member for S-D-G & East Grenville arrived, the tone in the House has disintegrated. I would ask the members' co-operation in allowing the member to speak.

Mr Hayes: With the drought situation and the problem of low prices that farmers have been faced with, especially in the ridings in Essex and Kent counties and other parts of this province, some of those people have been hit with a double whammy. We responded very quickly with a \$35-million emergency assistance package for Ontario farmers, which I might add was very well received by individual farmers and the different farm associations.

I am particularly pleased that Kent and Essex counties will be receiving a fair share of the available assistance. Crop insurance will also be making significant payments, approximately \$40 million, to the eligible producers in those counties and also across the province—or just \$40 million for that area alone. The ministry estimates that approximately \$5.7 million will go to farmers in need in just those two counties alone. In addition, I am pleased to say that I have been assured by the minister that staff will soon begin consultations on the \$3.5 million set aside for farmers suffering from low prices and of course the drought. Essex and Kent counties will receive a substantial share of that on top of the others.

I would add that the minister responded to my request to tour the area and meet individual farmers. He met with us and the Essex drought committee, and I also have to compliment those individuals. The response to date is an indication of this government's sensitivity to all agricultural areas in Ontario.

There have been comments about the Minister of Agriculture and Food not going and looking specifically at some of these areas. Let me tell members that just in that part of the county alone, he has been there three times already. I do not know of any Minister of Agriculture and Food who has done that within a year.

What other provincial government has done this? Governments that are brothers and sisters of these people here have ignored farmers in Saskatchewan, Alberta, Manitoba and places like that.

This government's work has only begun. What is clear to this government is that the rural economy is a key component of the Ontario economy. Farmers, local stores, local industry and the infrastructure which services the rural economy have all been under a certain level of strain in recent years. Unlike previous governments, this government is

committed to renewing rural Ontario and we will all benefit from this.

The Minister of Agriculture and Food and I are currently examining options for long-term farm finance and I look forward to the consultations which will be occurring with the farm community in the near future. Together, this government and farmers will develop a credit program which is much needed and well overdue in Ontario. There are many pressures facing the agriculture and food industry in Ontario which are a result of federal policies. The federal monetary policy of high interest rates has seriously increased the cost structure of our farmers. The lack of federal adjustment money promised during the free trade debate has also caused additional pressure on Ontario farmers.

At the same time, our food processing sector in Ontario is undergoing rationalization and restructuring. This process has been worsened by the free trade agreement. Some of these activities impact on farmers to reduce markets, on labour through lost jobs and on these companies, as they are unable to compete with US firms. This government will also be working with producers on labour and environmental issues and together we will develop long-term approaches for the industry.

Let me close my comments by saying that these are just some of the initiatives the Minister of Agriculture and Food is developing in partnership with all participants in the food system and I hope the minister has all our support as these initiatives are developed.

Just before closing, very quickly, here is an article from the Chatham Daily News. Scott McGeachy from the Kent County Federation of Agriculture "said he was 'pleased' with the financial assistance announced...by...minister Elmer Buchanan." He also stated that "Essex-Kent MPP Pat Hayes was to be congratulated for the important role he played in making" this possible. Here is a farmer in Raleigh township, "It's not going to save everybody, but I'm happy with it." "Any help is a positive sign, he said. 'All we need now is the federal government to contribute their fair share.'" Here is another article from the Ridgetown Dominion, "A warm thank you to the province for this support." We have lots of articles like that.

This government is committed to rural Ontario. This government is committed to preserving the family farm in Ontario. This government will continue to correct a lot of the mistakes and the lack of political will of the previous governments. We will address this and we will be working with farmers, because we know that the family farm is the backbone of this country. We ask members to join us and get a little political will themselves to help us to address this serious problem.

1130

Mr Ramsay: It is a pleasure to be standing in my place as the member for Timiskaming and as a former Minister of Agriculture and Food to speak for the second time in two weeks on this issue. The members of the House are to be congratulated that they have brought forward these motions so that agriculture is finally getting the importance in the Ontario Legislature that it deserves.

When we look at the various issues that are discussed in the Ontario Legislature and what seem to be priorities of Ontario governments, agricultural policy does not necessarily take the place it should. I am very pleased that it is.

In fact, yesterday afternoon in our standing committee on resources development we were concluding our discussions leading to an interim report we will be bringing forward to this House in the next few weeks that will start to lay out a few ideas that all parties working together are starting to consider. I would hope that the Ministry of Agriculture and Food will start to work on some of these ideas.

We are standing here in our places today speaking to agriculture. I certainly salute the member for Essex South in bringing this motion forward today, because there is a crisis in agriculture. There is no point in standing in our places as politicians trying to smooth over the situation that is out there. There definitely is a crisis, and it is happening not just in Ontario but to our fellow rural people across this country. We hope today the federal government will be coming forth with some assistance.

The people out there who are watching and maybe are not familiar with what is going on in rural Ontario must be asking: "Why is it that farmers are always asking for assistance? Why is it that governments in this country respond to that plea for assistance?" I must make the point that we do not, like other commodities, have fair trading rules in this world. In fact, as has been on TV lately, we see that European farmers receive about \$10 a bushel for their grain while the going price in Ontario is about \$2 a bushel. You cannot even grow a bushel of wheat for \$4 or \$5, so you need \$6 or \$7 just to start to break even and make a profit. We have to get that level playing field across the world when it comes to agricultural production so that the prices are returning to the farmer what it costs to produce—and then some, because it is important for our farmers in this country and especially in Ontario to be profitable.

There is also a crisis in this province right now because in southwestern Ontario, especially in Kent and Essex counties, we have had incredible climatic conditions this year, those being drought. In the last few years it has sometimes been too much water, but this year it was drought. So we have not only low prices that have been quoted earlier today as being 35% below the low prices of previous years, but also we have very low and poor yields, and therefore the farmer is suffering a double whammy.

It is important that government assist the farmers in the short term, but it is also important that governments start to address the concerns of agriculture in the long term. As I said, we were having those discussions in the standing committee on resources development, all of us from both sides of the House, the last few days. We have been listening to the concerns of the different commodity boards and the farm associations, bringing forward as they have been some very constructive ideas of what we can be doing.

In the last few years in this country we have started to bring in much more appropriate income stabilization programs such as GRIP and NISA. It is imperative that this government get involved in NISA and enrich its involvement

in NISA. In a contributory plan such as this, where the farmer, the provincial government and the federal government pay into it, if the province increases its share, it means the federal government will have to also increase its contribution and therefore the farmers will receive more government assistance through this program. It is a very good program and it deserves the support of the Ontario government. I would certainly plead with the Ontario government to get involved, as it had not, unfortunately, earlier this year, and to enrich that involvement so that the farmers of Ontario and the rest of the country can benefit by this program.

What can we do in the long term? It is a difficult subject, because we have an open marketplace. It is very difficult to say to people that somehow people have to pay more for food. When we look at the component price of a product we purchase in a grocery store, a loaf of bread, for example, a farmer does not receive very much for that product. In fact, some people will say for a \$1 or \$1.30 loaf of bread there is about four or five cents of wheat in that loaf.

The problem with the food production system today is that the consumer is demanding a much more value added product, therefore the farm-gate value in a product is very, very low. Much of the food now goes from the farm into the factories where much value is added because people want convenience foods and microwave-ready, etc. So food is growing in expense, but the farmer's share of that is very low.

What we need to do, and what government can do, and what specifically the Ontario government can do—and I am glad the member across the way is here who instigated a task force on long-term financing. I would encourage that member to take that report up with the ministry. I think it is very important that the government of Ontario, for the first time, starts to enter the long-term financing of agricultural producers in this province. I think it is very necessary. There are obviously some problems of how we go about that. I, for one, certainly would not want to see some sort of beginning-farmer program. This is not the time to entice our young people to get into farming. We are having great trouble in keeping the farmers who are already on the land, already producing food for the people of Ontario, and keeping them profitable.

There must be a way we could introduce a farm financing program that farmers can access for a portion of their long-term financing needs at a reasonable interest rate. That would be the only cost to the government, because what we are talking about is financing. We are talking about access to loans. The cost would be that, yes, I would ask the government to subsidize that interest rate so that we would have a low, steady interest rate the farmer can count on, so that he or she will be able to fight those vagaries of the marketplace and the ever increasing high input costs but know he or she has a steady payment, as far as principle and interest on that long-term financing is concerned.

I would go as far as to suggest to the members across the way in the government that possibly they look, as a source of capital for that financing program, at the Province of Ontario Savings Office. Why do we not, working together in this House, basically make the Province of On-

tario Savings Office maybe the farmers' bank in Ontario? In most towns in Ontario, we have a Province of Ontario Savings Office. Many people deposit their money, and I know it has tremendous assets there. That might be the pool of capital we could work with. Instead of the other investments the Province of Ontario Savings Office, or POSO, as we call it, is involved in, maybe that could be the pool of capital the Ministry of Agriculture and Food could tap into so that we in Ontario would finally have a pool of capital that is totally dedicated to the farmers, the food producers of Ontario.

I think this would go a long way to help alleviate those long-term problems and give a sense of certainty, as much as we can in Ontario, to the producers of food in Ontario that their government cares and, through the government, the people of Ontario care about agriculture and understand that agricultural production is absolutely essential for a sovereign jurisdiction, for a sovereign nation.

That is what it really boils down to. Why are we involved in this? Why is the food industry more important to us than any other industry? It is too bad, but television sets have not been made in this country in the last 10 years. I bemoan that fact and I feel badly about that. But that has gone to more competitive jurisdictions. Sad as it is, we do not rally around trying to get television sets produced in this country. But all of us, from all sides of this House, do rally around when our ability to produce food is threatened, because to be a sovereign nation I believe we must fight to maintain the ability to feed ourselves. That has to be paramount. If we said we were just going to rely on the mid-western United States, for instance, for our dairy products or our wheat products, we would be putting ourselves in very great political jeopardy.

1140

And what about the environment? I do not think it is wise for the world to put its eggs literally in one basket, especially the food basket of the United States. What if there was a tremendous drought in Ukraine or in the mid-western United States and we were solely reliant upon those particular places for our nourishment? Then we would be putting ourselves and the world in great jeopardy. It is important that all jurisdictions of the world produce as much food as they can.

What is interesting, when you look at the environmental sustainability of Ontario agriculture, is the way we have organized ourselves in this jurisdiction so that we do not force the environment to produce our food, because we have regulated our systems in many commodities to produce what we need to consume. Therefore, there is another advantage to our marketing board system in that it is environmentally sustainable, unlike the Americans who push production and then have to store a lot of that production because in many years they overproduce. We produce what we need and therefore we do not push our agricultural resources. We have very sustainable agriculture, and I would say to the parliamentary assistant to the Minister of Agriculture and Food that he should endeavour to support the supply-management system in this province. I think it is very important, besides being a marketing system.

Mr Villeneuve: They are undermining it. You know that.

Mr Ramsay: I am afraid they might be undermining it. My friend from the Tories is reminding me. I just want to encourage them in a very positive way that they must support this system. It is very important. It is more than just guaranteeing a price for farmers. It is also, I think, one of the cornerstones to agricultural environmental sustainability, and I would hope that the member is doing that.

I would also want to caution the government members to look at the accumulated impact of other areas that they want to work on in society, because they are going to have a profound effect on agriculture.

While I am on the environment, I would like to caution the minister, as we all want to see the absolutely cleanest environment we can possibly manage here in Ontario, that he and the parliamentary assistant must be very careful that they work with the farm community as we bring in better environmental controls. We must make sure we use the carrot rather than the stick and work with our farm producers and our food processors in cleaning up our environment, but make sure we phase it in and work in consultation with our agricultural community. Yes, there are things we do on the farm that are not correct, and we have to start to work with the Ministry of the Environment and other people who are pointing these things out to us in the farm community. I want to work with the farm community in bettering our practices, and I think we can do that better. But this is a warning to the parliamentary assistant to the Minister of the Environment not to come with a big, heavy stick into the agricultural community, but to work with the processors and the producers to make sure, yes, that we have sustainable agriculture, but that we bring that in by working in consultation with the farmers so that we do not disrupt that activity which is precious to the economy of Ontario.

Lastly, I also want to comment on many of the labour laws that are being anticipated by this government, the changes to the Employment Standards Act and other acts that are coming forward. I believe the ministers over there must also be careful that we do not unduly subject the agricultural industry to major changes overnight. We do want to bring our economy into the modern day and make sure that we have very sound occupational health and safety legislation, good legislation that is fair. We want to make sure we do not bring that in with a big stick to people. We want to work with the people, especially with the fragility of the agricultural community right now and the agricultural sector. It is very, very important that we work with this community.

I would like to close by saying I welcome the opportunity to be speaking again within two weeks on the very important subject of agriculture, what it means to our province, what it means to the economy of this province. One in five jobs in Ontario is dependent upon the agrifood industry. I am not sure if people are aware of how important the agricultural industry is as one of the generators of the tremendous economy of Ontario.

It is needed to be a sovereign nation, so that we have the ability to feed ourselves, but also it is a very prime

component of the economy of this province and therefore deserves to be supported by all the members of this House. I am sure all of us agree today that the government of this province should continue to increase its support to Ontario agriculture.

Mr Villeneuve: I too want to compliment and thank my colleague the member for Essex South. Our party and I will be supporting him 110%. First I want to tell my colleague, and he knows of it, that I was in Leamington several weeks ago. I have a copy of the report on agriculture as prepared by the drought committee for Essex county. It outlines very clearly that indeed some \$20 million is needed just to replace what was lost in the drought of 1991, not compensating for the very low prices.

That message is very clear. One visit to the Leamington area was certainly worth 1,000-plus words. They have some very drastic conditions. Crop insurance will not be of great assistance, because they have had three out of four very devastating years. As most members know, the crop insurance is based on previous averages. When and if you claim more than once every five years, you have major problems.

This government claims to be listening. This government claims to be trying to do everything for everyone. I just came from a committee room downstairs where 14 registry offices were closed in rural Ontario by this government, and the parliamentary assistant to the Minister of Agriculture just got up and said how great the things they were doing for rural Ontario were. One of the great things is that they closed three registry offices with one stroke of the pen. It was supported by the committee this morning. I want to put that on the record.

Some additional \$515 million were given to the civil service of Ontario this year. That is quite rich. The \$35.5 million agriculture got one week ago pales in comparison to the additional \$515 million the civil service of Ontario got.

De Havilland got \$151 million to save 4,900 jobs. I understand that is now 1,300 less; they are down to 3,600. Still, that is \$151 million in comparison to an additional \$35.5 million that has been committed by this government for 60,000 farm families.

I was recently talking to a beef producer who tells me he has not made a profit in the last five years. He has broken even. What is even worse is that on his assets and liabilities sheet he has lost \$100,000 of equity. Members should name me any other business that has worked for nothing for five years and has \$100,000 less equity for the effort put in at the end of five years. They will not find any.

I have here the budget for 1991-92 for Quebec, which is not nearly as rich as Ontario—the estimates for le ministère de l'Agriculture, des Pêcheries et de l'Alimentation. Would members believe \$711 million for the Ministry of Agriculture, Fisheries and Food in Quebec, almost \$100 million more than the support this government provides in Ontario?

I come from a riding right along the Ontario-Quebec border. It is very difficult for me to explain to the grain growers in Bainsville and in Glengarry county when they cannot get \$100 a ton for their corn, yet their neighbours

right across the line in Quebec are getting \$180. That \$80 is support from the province of Quebec.

1150

Supply management is most important to the province of Ontario. I think many people are not aware of the fact that the Minister of Agriculture and Food has allowed the Farm Products Appeal Tribunal to be the price setter, or the cost-of-production setter, for supply management, and has rolled back to our chicken broiler producers 12 cents a kilo on their cost of production. That, in very short English language, is the destruction of supply management.

I brought it to the standing committee on resources development and questioned John Core, who is the chairman of the Ontario Milk Marketing Board. Under a supply management system that works, three items have to be in place: cost of production, the value of the product and import restrictions. Those are the only three things that have to be there in order for supply management to work. If one of those items is missing from that formula, you have disaster. You have the worst of two worlds, because you are producing under quota and have no control over the price.

Those are some of the problems facing agriculture in general. In Essex county, with the drought conditions that have occurred, we have a situation that is almost intolerable. In Farm and Country here we have insolvent agricultural producers 19%, severe problems 13%, so 32% of the 60,000 families in Ontario are either insolvent or in severe financial difficulty. That comes from the most recent edition of Farm and Country.

Mr Hayes: When did this start?

Mr Villeneuve: Certainly the price of commodities was never lower than it is now.

An editorial in the Corn Producer entitled "Minimal Consultation" says:

"We cannot recall a minister of agriculture, provincial or federal, who was less inclined to meet and consult with major farm organizations than the present Ontario Minister of Agriculture and Food. The NDP rural caucus has refused repeated requests by different commodity groups to meet and discuss their problems."

Those are not my words. Congratulations to the member for Essex South. We are supporting him.

Mr Hope: For a second I thought there was a typographical error in the resolution. Where it has "ignore," I thought it would say "help" rural Ontario, especially in Chatham and Essex-Kent, as we talk about the assistance that is needed for the people of rural Ontario, especially in my riding, which was hit by the drought which added extra problems to those family farms.

In this House, to understand the day-to-day agendas, the opposition members wake up in the morning and flip a coin to find out whether they are Doctor Save or Doctor Spend. Today they woke up as Doctor Spend.

When we tried to understand what was going on around the agricultural community during the campaign, I made it quite clear I was not an agricultural expert. That was one of the best things they wanted to hear from a local member, that he is not an agricultural expert, because they want to be listened to instead of being told how to operate

their small businesses and their small farms. That is why in this election the people of southwestern rural Ontario made it quite clear by electing New Democratic members in most of the ridings of Essex-Kent, Windsor, Lambton, Sarnia, Elgin, Middlesex, and it goes on into London.

A number of the problems are at issue in this resolution. The resolution is redundant now because this government has come across and helped people.

Mr B. Murdoch: You never got elected. You got in by default. Don't ever think you got in by reason. You never had a seat, Randy.

The Speaker: Order. I know this is a matter about which the member for Grey feels strongly, but I ask him to temper his language and allow the member for Chatham-Kent to continue his speech.

Mr Hope: It is nice that they try to override it, but it is the fact that today we have a number of members on this side.

During the drought and during this time frame I was educated by the farmers of rural Ontario who were affected by it, making sure that they educated me. This government has come through with a short-term program, and we look forward to the long-term program we are wishing to put forward. A number of the farming communities have talked to me about when all this started. In 1981 and 1982, when the recession hit, a lot of family farms were affected.

Now I am hearing opposition members yelling and screaming, "What are you doing?" They should let me tell them what the Liberals and Conservatives did in the past. They put programs together to help out the bankers and the bank institutions instead of helping those farmers.

In my riding a lot of farmers have been affected by mismanagement of government issues and policies, not making sure they could assist the farmers in my community, and they ask me what I am doing for them. We are making sure that when we put \$50 million into effect, the \$50 million goes to the farmers. When we put this program into place we made sure the program went to the farmers to help them in the drought and help them in other areas across the province. That is what is called helping rural Ontario.

We say we have to help the family farm. I am going to use as an example a constituent of mine who is a major farm leader in my community. He said to me: "I think we should commend you on your hard work this summer on behalf of the Kent county farmers. This aid package, I believe, is a direct result of rural MPPs like yourself working on behalf of the farmers. Maybe us farmers should have voted NDP a long time ago." He said this to make sure that we help the farmers.

We understand the first part of this resolution that deals with the people in rural Ontario being affected by the commodity prices being lower, but it is going to take through GATT. I am sure the member opposite listened to Canada AM this morning. More than just the provincial government has to get on board. It is time the federal government made sure it had fair trade policies for the people of rural Ontario, so they can live and work their small businesses viably and effectively.

Mr Sutherland: I am pleased to participate in the debate this morning. I am sure the member for Essex South was up late last night getting his remarks ready for today. I congratulate him for bringing the issue of agriculture to the forefront. I do not necessarily agree with his resolution.

Let me just say that we all recognize that the issues of agriculture are very severe. They are extremely challenging and they certainly have not just developed over the past year, although the accumulation of many years of low commodity prices and high interest rates has created a great number of problems.

I and the farmers in my riding are very pleased with the response this government has provided. Before the most recent announcement the farmers in my riding had received over \$2 million in interest relief, which was well needed. They got it during the latter part of the summer and the early part of the fall. It was very important for them to get it. They are anticipating that they will get more than another \$1 million out of the most recent announcement, so well over \$3 million, and it could be very close to \$4 million, is going into my riding to support farmers.

The opposition can say that we are not concerned about agriculture or about the impact of this past summer and the significant decline in commodity prices, but that simply is not the truth.

We heard the member for S-D-G & East Grenville talk about registry offices and about this government not supporting rural communities. I want to remind him that one of the key areas for rural communities across this province has been rural post offices in many small villages. We will not comment on how many of those post offices have actually been closed, undermining rural communities.

I am proud of this government and what it has done for farmers so far. We do need to do more, but I will not be supporting the resolution.

Mr Mancini: I would like to use the remaining two moments to put a few more facts on the record so that all listening can understand exactly the situation.

Since assuming office, the NDP's only short-term plan for agriculture has been a \$50-million advance to the Ontario family farm interest rate reduction program, which was instituted by the previous Liberal government. It enhanced by \$50 million an already existing program implemented by the previous government. That was in its budget.

The government promised \$100 million in the election; \$50 million does not equal \$100 million, and that has nothing to do with the crisis in commodity prices or with the problems caused by the drought. I want the government members to understand that. I want the general public and the farm community that is watching to know that the members of this socialist government were spendthrifts when it came to their friends. They had \$515 million for the civil service in one year, they are ready to spend \$150 million for de Havilland in one year and they are ready to open up the vault for the doctors, the nurses and everyone

else, but when it comes to farmers there are only crumbs left on the table.

The parliamentary assistant to the minister can congratulate himself all he wants. As a matter of fact, he needs a third hand to pat himself on the back. But his self-congratulation is not going to address the crisis facing 60,000 farm families. We condemn the government for its lack of action.

The Speaker: The time provided for private members' public business has expired.

Interjections.

The Speaker: When the House has come to order, we will be able to deal with the ballot items. We will deal first with ballot item 35 standing in the name of Mr Wilson (Simcoe West).

1205

COUNTY OF SIMCOE ACT, 1991

LOI DE 1991 SUR LE COMTÉ DE SIMCOE

The House divided on Mr J. Wilson's motion for second reading of Bill 132, which was negatived on the following vote:

La motion de M. J. Wilson pour la deuxième lecture du projet de loi 132, mise aux voix, est rejetée :

Ayes/Pour-19

Arnott, Cunningham, Curling, Harnick, Harris, Jackson, Mahoney, Mancini, Miclash, Murdoch, B., O'Neill, Y., Phillips, G., Ramsay, Runciman, Sorbara, Tilson, Turnbull, Villeneuve, Wilson, J.

Nays/Contre-31

Abel, Caplan, Carter, Cooper, Coppen, Dadamo, Drainville, Duignan, Farnan, Fletcher, Frankford, Hansen, Harrington, Hayes, Hope, Klopp, Lessard, Malkowski, Mammoliti, Martin, Mills, Murdock, S., Sterling, Sutherland, Ward, B., Ward, M., Wessinger, Wilson, G., Winninger, Wiseman, Wood.

1212

FARM INCOME

The House divided on Mr Mancini's motion, which was negatived on the following vote:

Ayes-23

Arnott, Caplan, Cunningham, Curling, Harnick, Harris, Jackson, Jordan, Mahoney, Mancini, Miclash, Murdoch, B., O'Neill, Y., Phillips, G., Poole, Ramsay, Runciman, Sorbara, Sterling, Tilson, Turnbull, Villeneuve, Wilson, J.

Nays-29

Abel, Carter, Cooper, Coppen, Dadamo, Drainville, Duignan, Farnan, Fletcher, Frankford, Hansen, Harrington, Hayes, Hope, Klopp, Lessard, Malkowski, Mammoliti, Martin, Mills, Murdock, S., Sutherland, Ward, B., Ward, M., Wessinger, Wilson, G., Winninger, Wiseman, Wood.

The House recessed at 1214

AFTERNOON SITTING

The House resumed at 1330.

MEMBERS' STATEMENTS

GOVERNMENT SPENDING

Mr Sola: When is procrastination a virtue and when it is a vice? In looking at the Treasurer's recent statement on spending adjustments, it would seem that to put off for tomorrow what can be done today is a vice unless it is done by the government. Then, miraculously, procrastination becomes a virtue. This is confirmed by the statement of the Chairman of Management Board of Cabinet when he describes this as "restraint" and "management of resources." "Loss of control and government mismanagement" is a more appropriate definition.

Let's examine both statements. Let's put this restraint into perspective. Let's look at this management or, more precisely, government mismanagement. In their outline for spending adjustments, the word "delay" appears 10 times. When accompanied with words such as "unexpected" and "unforeseen," how can the NDP claim to be managing government spending? How can the NDP describe unexpected delays and unforeseen delays as restraint? As Shakespeare would say, "Much ado about nothing."

For instance, of \$460 million in one-time savings, \$434 million is beyond the government's control. Only \$26 million may be under partial government control, of which 50% or \$13 million was a conscious decision by the NDP. This decision to renege on \$13 million in payments to colleges and universities shows precisely where education stands in the NDP's sense of priorities.

BIOMEDICAL WASTE DISPOSAL

Mr Villeneuve: There was a very troubling report in the Hamilton Spectator recently regarding the discovery of an illegal medical waste dump near Brantford. The dump was located on the weekend by a private citizen who found it on the Six Nations Reserve. This dump covers two to three acres and is up to five feet in depth, containing hazardous medical waste such as syringes, needles, an empty intravenous bag and at least one blank prescription pad from a hospital.

Officials of the provincial Ministry of the Environment have visited the site but have not yet told anybody what they found. This dump site is near McKenzie Creek, and if any hazardous materials are seeping into the ground water, there could be very serious consequences for natives on the reserve, as well as for anyone else living in the area. I understand the Ministry of the Environment has little power to act because the property is on an Indian reserve but that does not remove the government's responsibility to work with the natives at Six Nations.

I raise this issue for two reasons. First, and most important, there is potentially a serious health threat in the area. Second, there is no one else to raise the issue. There is no one here representing the citizens of Brant-Haldimand because the government and the Premier will not call a by-election to replace our former colleague Bob

Nixon. Once again I am urging the government to call that by-election to give the people of Brant-Haldimand a voice in this Legislature once again.

JOHN SIMPSON

Mr Owens: It gives me great pleasure to rise today to pay tribute to a constituent of mine, Mr John Simpson. We are all concerned about the rise of crime in our various constituencies. Not only is John concerned about the rise in crime; he is also concerned about crime prevention in Scarborough. He has devoted many long hours and recruited many volunteers and worked hard to make the community a safer place. For eight years now, John has been involved with the Neighbourhood Watch program and is currently chairperson of number 63 Mason District Neighbourhood Watch.

John wants to ensure a safer community and is dedicated to assisting the police. He does many things for his community: preparing a newsletter, distributing crime reports and lobbying all levels of government for funding for Neighbourhood Watch programs.

I would like to take this opportunity to urge the city of Scarborough to do as its sister city North York has done, which is to fund a full-time Neighbourhood Watch volunteer co-ordinator.

Through the hard work that my constituent John Simpson has done, he has been instrumental in establishing the Crime Prevention Resource Centre in the city. This not only serves the residents of Scarborough Centre, but all the residents of Scarborough.

We have the utmost respect for John Simpson and the fine work of the Neighbourhood Watch program. Because of the efforts of John Simpson and of the many volunteers like John, Scarborough is a safer and better place to live.

MISSISSAUGA BOARD OF TRADE

Mr Mahoney: It is with great pleasure that I rise today to welcome, joining us in the west gallery, a delegation from the Mississauga Board of Trade. Since 1976, the board of trade has become an institution with great influence and respect in our city, and indeed across the province and around the country.

A sign of the economic times would be that the membership of our board has dropped from a high of 3,200 down to 2,000, something I would like the government and the Treasurer to take note of when they are attempting to look at the record high deficits that they are bringing forward. Notwithstanding that, this board still ranks as the second largest in the province and the sixth in the entire country, operating with a staff of 23 people and completely funded by its own members.

The Mississauga Board of Trade has grown in prominence municipally, provincially and federally by establishing a policy review committee giving depth to business-related issues. The board has emerged as an important advocacy group for business.

Much of the success of our board of trade can be attributed to its executive director, Lois Gibson, who on September 30 of

this year retired after 11 years of service with the board. She has an outstanding record of service. She was the first woman to be appointed as the president of the Chamber of Commerce Executives of Canada and the first woman to receive Manager of the Year and many other awards. I congratulate Lois Gibson on her retirement and wish her well, and I thank the members of the board for coming today.

HUNTING AND FISHING IN ALGONQUIN PARK

Mr Arnott: The Minister of Natural Resources and minister responsible for native affairs has again made a mockery of the public consultation process.

Last March, the minister stated he would be consulting with all interested parties on the interim hunting and fishing agreement with the Algonquins of Golden Lake. In this week's announcement regarding the release of a draft document, the minister notes that he would have liked more time for public discussion but that the formal negotiations were far more complex than he had originally anticipated.

The minister is aware of the importance of this agreement as it relates to the management of this province's valuable natural resources. Interest groups are not pleased with his arbitrary 48-hour consultation process on what appears to be a done deal. As the Federation of Ontario Naturalists has stated, any real change is unlikely as the document is to be signed by the band and the government on or before October 15.

We ask the minister that all interested parties be allowed to fully participate in these important discussions on the future of Algonquin Park. We agree that an equitable settlement can be worked out for the Algonquins of Golden Lake, but it cannot come at the expense of this province's long-standing resource management principles. Two days of public consultation for this issue are simply insufficient.

ROYAL VISIT

Ms S. Murdock: I rise today in total disbelief at the reprehensible reporting evidenced in Toronto's local tabloid. Balanced reporting? Yet when yesterday's article came out, I said, "Fine; consider the source." What can you expect but irreverence and totally disgusting reporting?

But it has to be surprising to this reporter, if you can call her that, that the royal couple actually asked to come to my city. Yesterday I discounted much of this doggerel because I figured, well, it was done in ignorance. Today's article shows that, first, this person could never have come to my city; otherwise she would know better. Second, my city is 100,000 people. It is hospitality plus. It is beautiful. I will admit that 25 years ago we could not have said that, but working together, Inco and everyone else have made it a wonderful place to live. She does not know what she is talking about.

Frankly, she is so tunnel-visioned that after today's article, the only thing that is obvious is that in her view only Toronto is good enough. The tabloid earns its reputation with this kind of reporting. I say: "Come to Sudbury. Meet our people. Share our hospitality." The royal couple will, but I can bet you, Ms Mandel, that you never will.

1340

GOVERNMENT STRATEGIES

Mr Phillips: I want to say a few words today as to why I think the atmosphere of civility in the House has recently come under pressure.

It was only a little more than a year ago that the Premier, at the swearing-in ceremonies at Convocation Hall, announced that it was his government's task "to guard against institutional arrogance and the abuse of power." Yet, frankly, almost daily we see the government engaged in activities which seem to challenge the Premier's statement and to further aggravate the tone of debate in this House.

Examples of this would include the recent budget hearings where we in the opposition assumed that a fair representation of groups would come forward to provide public feedback on the budget. Unfortunately the Premier's office took it upon itself to very aggressively load the agenda with groups supporting the budget, ignoring the need to achieve a cross-section of opinion. Furthermore, the NDP members on the committee issued a press release headlined, "Committee Finds Widespread Support for Provincial Budget." This press release was issued before the committee had any opportunity to discuss the hearings.

The government has further contributed to the negative atmosphere by having the Premier here perhaps two days a week and by having virtually no ministerial statements. Who suffers as a result? Surely the opposition, but also, importantly, the NDP caucus and the public when the role of the Legislature is abrogated.

BREAST CANCER AWARENESS DAY

Mrs Marland: Today, October 10, is Breast Cancer Awareness Day. The purpose is to make people aware that early detection of breast cancer saves lives.

Breast cancer is the leading cause of cancer deaths in women in Ontario. As women age, their chances of getting breast cancer increase. However, early detection of breast cancer has reduced the number of deaths in women aged 50 to 69 by as much as 40%.

Women aged 50 or older should contact their physicians or the Ontario breast screening program to arrange for breast screening, which includes an X-ray called a mammogram and a physical examination. A mammogram can detect breast cancer at its earliest stages, even before a lump can be felt.

In addition, women of all ages should do a breast self-examination every month. Regular self-examination enables women to detect breast changes in between checkups by their doctors or other breast screening centres. A doctor will demonstrate how to do a breast self-examination. As well, a brochure explaining the procedure is available from any office of the Canadian Cancer Society.

The Ontario breast screening program runs free breast screening centres in several cities across Ontario. For more information, please call the Cancer Information Service at 1-800-263-6750.

I encourage all women to discuss breast cancer detection with their physicians. Early detection could save your life.

I just came from attending the luncheon, with 1,600 people present, to celebrate Breast Cancer Awareness Day.

BUSINESS IN BRANTFORD

Mr B. Ward: In this House, we all know the tough times that Brantford has experienced in the past from an economic standpoint. I would like to bring to the members' attention some good news on the economic front.

Since September, a number of business people have made the decision to invest in Brantford. Examples are the construction of warehouse space for the rationalization of Lumsden Brothers Co; the decision of Go Vacations, a recreational vehicle manufacturer, to relocate all of its operation to Brantford; Ben-A-Clamp, a maker of automotive and industrial clamps, picking Brantford over the American states of New York, Oklahoma, Tennessee and even Mexico, and the plans of BASF Canada to invest \$6 million for new equipment in its Brantford paint plant. As well, Intercity made the decision to close a plant in Red Budd, Illinois, and maintain its Keeprite operations, and just last Friday I toured a plant that was purchased by local investors from an American company.

These decisions mean jobs for the people of Brantford. They mean that these business people have confidence in Brantford and Ontario. I am confident that this House will continue to hear of improvements on the economic front as our province continues on the road to economic renewal.

Hon Mr Cooke: I have met with the opposition House leaders and I believe we have unanimous consent for a statement to be made by the Minister of Housing, followed by statements from the Minister of Community and Social Services and the Premier.

The Speaker: Do we have unanimous agreement?

Agreed to.

RENT REGULATION

Hon Ms Gigantes: I wish to inform the House about the investigation by Ontario's rent registrar of the rents in a building owned by the Minister of Community and Social Services.

As members will recall, on September 24 allegations were raised that illegal rents were being charged for the two units in this building located at 964 Avenue Road in Toronto. The rent registrar, David Braund, investigated these allegations under section 11 of the Residential Rent Regulation Act. He has concluded that there is no basis for proceedings under section 122 of the Residential Rent Regulation Act. I am not tabling the report in the House for two reasons.

First, the report the rent registrar has produced is a law enforcement record containing personal information that is protected under the Freedom of Information and Protection of Privacy Act.

Second, since September 24 a tenant has filed an application with rent review regarding one of the units in this building. The matter will be dealt with by a rent review administrator who will hear evidence from both the landlord and the tenant and then issue a decision. The decision can be appealed by either party to the Rent Review Hearings Board. If the opinion of the rent registrar were to be

released at this time, it might be viewed as prejudicing the right of either the landlord or the tenant to fair hearings before the rent review administrator and the Rent Review Hearings Board.

Hon Ms Akande: As members know, there has been concern raised about rent levels at my property at 964 Avenue Road, Toronto. I am satisfied that the rents charged in the two apartment units are honest and proper. However, a tenant there has now initiated proceedings to have his rent reviewed. The rent review process is the appropriate forum in which to have this matter decided. This process will take some months to resolve. Therefore, I have decided to tender my resignation as Minister of Community and Social Services in order that the Legislature can focus on the many important issues facing the people it serves.

Hon Mr Rae: After discussing this matter with the Minister of Community and Social Services yesterday evening, I have decided, with enormous regret, to accept her resignation. I want everyone in this House to understand that I do this in order to allow the minister to be able to present a fair case before the rent review tribunal and because I have enormous respect for the minister and her sense that it would be better for everyone, including herself, if this was the way we proceeded. I say this without any prejudice with regard to the case that is now before the tribunal because of the action taken by one tenant.

When this matter has been dealt with fairly and squarely by the administrator, the member for St Andrew-St Patrick, as far as I am concerned, will be back in the cabinet.

If I might be permitted to say just a couple of things about the minister, her tenure as minister over the last year has been marked by progress of which we in the government are understandably proud. I hope members will allow me to point out just a couple of areas in which she has worked enormously hard on behalf of all the people of the province.

Shelter allowances were increased by 10% on January 1991. The \$51 million in the capital works projects designed to get welfare recipients into the workforce created 62,000 individual weeks of work in communities with high unemployment rates. Through the Back on Track program of some \$215 million, the minister's insistence at cabinet—and I can assure members that no one has been a more effective advocate on behalf of the people of this province than the minister. Social assistance reform has included a \$78-million program to get welfare recipients back to work. She has taken responsibility as a minister for working together with the Minister of Health and the Minister of Citizenship to deal with the long-term care reform and make sure that stays on track. She has launched a review of the province's child care system and she has shared responsibility with others for the creation of 5,000 more subsidies for child care.

These are never easy moments of decision for a minister or a Premier. The minister has shown in the decision she has taken today, as in so many others to my knowledge and in my experience, enormous grace, enormous courage

and a great sense of fairness to herself and to everyone. I hope it will be understood in that light by the members of the House.

1350

STATEMENTS BY THE MINISTRY

EXPO '98

Hon Mr North: I am very pleased to advise the House today that Mr Tom Wells, former agent general for Ontario in London, has agreed to lead the federal-provincial municipal team supporting the Toronto bid for Expo '98. Many members of the House are former colleagues of Mr Wells, who served in the Legislature as the member for Scarborough North for many years and was a cabinet minister in both the Robarts and Davis administrations.

Mr Wells will chair the Expo '98 Bid Corp, which will be incorporated soon. The bid corporation will have an advisory board which will include representatives from all four levels of government, business, labour, the local community and native groups. This group will ensure that, should our bid be successful, Expo '98 will be a unique and very exciting world's fair.

The bid for Expo '98 represents a tremendous opportunity to spur the economic renewal of this province. It will not only create jobs; it will inspire investment and growth across Ontario.

Mr Wells's first task will be to meet with a visiting delegation from the International Bureau of Exhibitions next week and begin the lobbying process we believe will lead to our successful bid.

I know all honourable members will join me in welcoming Mr Wells to this very important assignment and assure him of our full support.

RESPONSES

EXPO '98

Mr H. O'Neil: We are very pleased to see an appointment such as this. Mr Wells had a very distinguished career while he was in this Legislature, and when he was transferred to the job in London, England, as the agent general, he again distinguished himself and did a great job promoting the province of Ontario. The position to which he has been appointed is a very important one, because the Toronto bid for Expo '98 could mean a great deal to this province, not only in the tourism sector but in the business sector as well, creating, as the minister mentioned, a lot of jobs and promoting the province right around the world.

I hope we are successful with it. With a person like Mr Wells leading it, I hope we are. In the meantime, having a person of his stature doing the job also means that over the next number of years we will be able to promote the province of Ontario right around the world as the great place it is.

We talk about the importance of tourism to our economy in Ontario. I would be remiss if I did not mention, as the minister is aware, that many of the people in the tourism industry are having a lot of problems at the present time. Our tourism numbers, not only from the United States and the other provinces and the rest of Canada but from around the world, are down. People are having a lot

of problems. We are going to have a lot of failures over the next few months and the next year.

I commend the minister for cutting some of the expenses in certain areas within the ministry. I think he has reduced the operating budgets by approximately 6.4%. There were areas where we could reduce the costs we have. I commend him on this, but I would also say to him, the Premier and the members of the cabinet that there are other areas in which he should be lobbying the Premier and the cabinet to give some type of special assistance over the next few months and the next year while we are waiting for specifics. We have not really seen them. There have been no other announcements within the House.

I feel the minister should be doing a better lobbying job, because when the tourism industry in the province is a healthy one, a lot of extra tax revenue is generated. That helps many of the other social issues and problems we have. We are hoping that within the next few months the Minister of Tourism and Recreation goes after the Premier and the other cabinet ministers to get some more support for tourism in Ontario, but I commend the minister for the appointment of Mr Wells to head up this very important area.

Mr Phillips: I remember well the Premier's opening remarks to us when the House came back after being off for three months. I think he said: "There is much to accomplish. We face the most serious challenge since the Great Depression. Unemployment is too high. Over the next few weeks, ministers will be announcing plans."

This is the very first announcement we have had all week. There have been no other ministerial announcements. He had all summer to lay out his plans. He has had three weeks now since the House came back. According to the Premier, we are facing the most serious challenge since the Great Depression, yet this is the only announcement we have had all week.

There is no question that the economy is struggling very badly. I welcome Mr Wells. He is a first-class individual who will do a first-class job. But the members of the opposition were expecting much more. We were expecting announcements this week that tackled some of the major issues facing the economy. We acknowledge there is much work to be done. We took the Premier at his word and his announcement, the very first words he gave when the House came back. I hope we will not see many more days go by before the ministers do stand up and announce specific programs to get at some of the issues that are tearing this province apart.

I am frankly very disappointed in what has come forward this week from the government. I fully expect that next week, and early next week, we will be seeing some significant announcements to begin to tackle some of the major economic issues in this province.

Mr Harris: I want to say a few things and I want to leave some time for the member for Wellington, who wants to comment on this as well. Obviously I do not fault the minister or the government for the appointment of Mr Wells. He is an excellent negotiator and a top-notch politician. In fact, were he here as government House leader,

this would be a kinder, gentler, smoother-running and better place than it is today.

I think those of us from all sides of the House who were here in those days would recognize that while we may not all have liked the agenda, or the legislation, or the prosperity that the province enjoyed, surely we would have agreed that there was a House leader who knew how to deal fairly with all sides of the House and who knew how to advance an agenda with the co-operation of all parties and make sure all viewpoints were heard, both from the public and from the opposition. I know he will bring those skills to this challenge of landing us Expo '98 here in Canada, in Ontario and of course in Toronto.

1400

I also want to say a couple of things I think could be very helpful to the minister and his party. Their very strong ally and friend and cousin virtually singlehandedly, along with other NDP supporters, absolutely scuttled the bid for the Olympics in this country, in this province and in the city of Toronto. The Bread Not Circuses Coalition and the candidate for mayor misrepresented exactly what that project was all about. They say they are going to involve four levels of government. They say this will create jobs and it will inspire investment and growth across Ontario. If they believe that Expo '98 will do that, let's hope that one of the representatives is not Mr Layton on behalf of the city of Toronto. Let's hope.

I believe the government members could do something by talking to their municipal colleagues, talking to those supporters of the New Democratic Party. Mr Layton obviously will be looking for something to do in a very short period of time. If they can bring him on board—and perhaps Mr Wells can, because he was good at bringing people together—and we can present a united front, then we will not scupper this bid, we will not scupper Mr Wells as Mr Henderson was scuppered, and indeed we will get Expo '98. As they say, we will get the jobs, we will get the prosperity, we will get the economic renewal. Let's hope we can do it right this time.

Mr Arnott: I am pleased to stand in my place as our party's Tourism and Recreation critic to respond to this statement also. I must say that Tom Wells is certainly a first-class person. I do not know him personally, but I know very well of his reputation and I am sure he will do an excellent job.

In the weeks that I have been Tourism and Recreation critic for our party I have been inundated with calls and responses from tourist operators. There are very serious problems in our tourist industry. The answers are just not coming from the government at all. I cannot say enough about that. All the wrong signals are going out to our tourist operators and the government has to get down to work on that. We need a more substantive announcement from the government and from the minister that he will do more to assist our tourist operators instead of making these sorts of nothing announcements.

The Speaker: There is more response time remaining. Any other responses from the third party?

MINISTERIAL STATEMENTS

Mr Cousens: On a point of personal privilege, Mr Speaker: My rights as a member of this House and as the critic for the Ministry of the Environment have been reduced. In fact, I have to bring to your attention the impact that it has on the work we have to do in this Legislature.

I thought maybe today there would be a statement by the Minister of the Environment. It was not today. She did not make one yesterday, and yet outside this House she made a major statement carried by four of the Toronto newspapers: the *Globe and Mail*, "Businesses, Institutions Drafted Into Recycling"; the *Toronto Sun*, "Grier Unveils Plan to Force Cuts in Trash"; the *Financial Post*, "Business Attacks NDP Waste Plan"; the *Toronto Star*, "Institutions, Businesses Told to Begin Recycling Trash."

The minister has come forward with regulations and decisions that affect her ministry that she did not make in this Legislature. I can only say that the New Democratic Party is aware of the adversarial nature of this House where, if you bring up something in the House, we at least then have a chance to counter it and discuss it and debate it. If it is not raised in this House, we in opposition have little, if any, opportunity to raise it.

This minister has taken away my right as a member of the Legislature to respond in any way I want. It could have been supportive in some way, but in this case I am saying the minister has done me wrong.

The Speaker: Would the member for Markham take his seat, please. The member may recall that a quite similar matter was raised yesterday as a point of order and I responded at that time that I would take it under advisement, and indeed that is what I have done. It will take a bit of time to do some research on it, but there will be a ruling with respect to the matter which has been raised.

Mr Cousens: Mr Speaker, on the same point: What happens when I even call her office to get a copy of the speech or the press release and I still do not have it? I have to read the *Toronto Star* and the other papers to get it. I have to get that information. I am being let down by this minister.

The Speaker: The member for Markham will take his seat, please.

Mr Cousens: Where are my rights? I don't have any, Mr Speaker. She is not giving me the answers I need. It is wrong. There is no information from this minister.

The Speaker: The member for Markham will come to order, please.

Mrs Fawcett: On a point of personal privilege, Mr Speaker: I also feel that my rights as a member of the opposition have been undermined and hampered. I understand that at a House leaders' meeting this morning it was decided by the government House leader that from now on ministers would be making statements in this House so that we would have a chance to put forth our points of view. At the same time, a press release was being issued by the Minister of Consumer and Commercial Relations about the closure of land registry offices.

This is a very important matter to many areas in rural Ontario and I feel that this government continues to peck away at rural Ontario and destroys any kind of chance—

The Speaker: Would the member take her seat. Again, I realize this is the same matter and the only response I can provide to you is that the Speaker is taking the matter seriously. I have it under advisement and I will report back to the House at my earliest convenience.

LAND REGISTRATION

Mr Tilson: Mr Speaker, I rise on a question of privilege, of which I gave you notice earlier today. I wish to deal with the matter that constitutes not only a breach of privilege but a contempt of Parliament and an utter disrespect for this Legislature.

In my point of privilege I will illustrate to you the fact that this House and all its members have been treated with contempt and disrespect. I will show you that in the parliamentary tradition of this Legislature, this occurrence constitutes a breach of parliamentary privilege. I will then be asking you to rule on whether my point constitutes a *prima facie* case of privilege.

The Legislative Assembly Act, subsection 45(1), states:

"The Assembly has all the rights and privileges of a court of record for the purposes of summarily inquiring into and punishing, as breaches of privilege or as contempts...matters and things following:

"1. Assault, insult or libel upon a member of this Assembly during a session of the Legislature or during the 20 days preceding or the 20 days following a session."

Mr Speaker, I will read to you remarks made by a government lawyer representing a ministry of this government in a court of law in arguing against an injunction to stop the Ministry of Consumer and Commercial Relations from closing 14 land registry offices. The solicitor for the ministry said it would serve no purpose for the Minister of Consumer and Commercial Relations to await any input from the standing committee on general government, which is looking into the closure of land registry offices under standing order 123, and she gave three reasons: (1) The general government committee is of no significance; (2) the general government committee is really just a way of creating political heat; (3) the general government committee is composed of six members of the NDP and five from the other two parties and all of the NDP members could be absolutely counted on to stick to the government's position of closure of the land registry offices.

This is indeed an insult, not only to myself as a member but to the Legislature as a whole. These remarks alone are bad enough, but when they are coupled with the remarks of the Minister of Consumer and Commercial Relations made in answer to my response some time ago, they are utter contempt of this Legislature.

1410

I would like to quote to the House again the remarks made by the Minister of Consumer and Commercial Relations on Thursday, September 26, 1991. Referring specifically to page 2569, I will quote myself asking the latter part of my question and her answer:

"My question is whether the minister feels this course of action is fair and democratic, and will she agree to stop any further closures until the committee has reported back to the House on its findings?"

The honourable minister's replied: "The answer to the first question is that, yes, I think this is a fair and equitable decision to make, and yes, I will continue to try to keep on schedule in terms of the integration of the land registry offices."

I submit that the two statements, made by the solicitor for the Attorney General's department and the minister, should be read together.

Section 24 of the 1982 Constitution Act ensures that the administration of justice is not brought into disrepute. Those are my rights in a court of law. My question is, what rights do I have in this House and what rights do I have in sitting as a member of the standing committee on general government?

The only recourse we have in the parliamentary form is through our standing orders and the tradition of parliamentary privilege. I will quote from the chapter on contempt from Erskine May's *Parliamentary Practice*, 21st edition, chapter 9, page 121:

"Indignities offered to the House by words spoken or writings published reflecting on its character or proceedings have been constantly punished...upon the principle that such acts tend to obstruct the Houses in performance of their function by diminishing the respect due to them."

The words of the solicitor for the Ministry of Consumer and Commercial Relations have indeed obstructed all members of this House in the performance of their functions by diminishing the respect due to this House, and more specifically its standing committees, by prejudging the results of a committee of the Legislature and calling into question the validity of the powers and integrity of the members of this House.

The government's solicitor has cut to the very core of parliamentary privilege. If these comments were allowed to stand unchallenged by this House, every standing committee of this Legislature would be very reluctant ever to call any member of the public to appear before it.

Under standing order 123 we called some very busy and important people to appear before the standing committee on general government to speak to the closures of registry offices across this province. Am I to say to them now that the time and effort they took to appear before our committee was wasted? Should they ever come again? How can our credibility as members be maintained if our standing committees and standing orders are deemed to be a farce and of no significance? The ability of all members to do their jobs will be drastically diminished.

The Speaker of the House of Commons on November 2, 1987, ruled:

"It is very important...to indicate that something can be inflammatory, can be disagreeable, can even be offensive, but it may not be a question of privilege unless the comment actually impinges upon the ability of the members of Parliament to do their job properly."

The comments by the solicitor representing the Minister of Consumer and Commercial Relations has very

definitely impinged upon the ability of myself and of members of this House to do their job properly.

There are many precedents of contempt being found when the honour and integrity of the House and of certain members have been called into question. The following is from Beauchesne's Parliamentary Rules and Forms: "Traditionally, articles in the press reflecting badly on the character of the House have been treated as contempts." In my opinion, this is much more serious than an article in the press. These inflammatory statements have been made by a government employee in a court of law.

This is not a partisan issue. It is an issue which affects all of us. I am concerned about the comments made about the NDP members of the standing committee on general government. By saying that all the NDP members could be absolutely counted on to stick to the government's position of closure of the land registry offices, the minister's solicitor calls into question the very right of the individual members of this Legislature to represent their constituents and the people of this province.

Mr Speaker, I put before you and submit to you that this is a significant question of privilege covering the issue of contempt. If you find a *prima facie* case, I am prepared to move the appropriate motion.

The Speaker: I must first commend the member for Dufferin-Peel on having done some research, in particular checking with Beauchesne and Erskine May, and indeed quoting the Speaker of the House of Commons. I would be pleased to take a look at the events he has described. I believe this matter is currently being dealt with by a committee of the Legislature, in which case, of course, it would not be appropriate, nor would the Speaker be able, to deal with it. However, should a report come from that committee dealing with the difficulties you have described, of course the Speaker can deal with it at that time. None the less, I shall take a look at what you have raised and consider it seriously.

Mr Mancini: Mr Speaker, I rise with some reluctance on the same point of order. As you may know, sir, I have been serving as Chairman of the standing committee on general government since the last Parliament. We have tried to do our work in the committee in as proper a way as we could and as best we could. When standing order 123 was referred to our committee, I believe I was asked to sign some letters and support the efforts of our clerk to get certain witnesses to appear before the committee.

I want to tell the Legislature that some of these witnesses took time off from work. They were not reimbursed for their time off from work. Some of these witnesses came several hundred kilometres at their own expense. There is no way for them in any way to get reimbursement for that expense. Most of them came out of their deep support for an institution which happens to be in their own community.

I want to come at this point of order from a different angle. Right now the Premier, as are other Premiers across the country, is joining the Prime Minister in trying to forge a new and stronger country and in trying to get citizens in

Ontario and across the country to once again have a deep belief and also respect for our institutions.

This is very important. Whether they respect us as individuals or as members of a particular party does not concern me at this time, but I am very concerned, and I support the Premier's efforts 100%, that we need to do whatever we can to get our citizens to believe in and have respect for our institutions. Most important is our Legislature as an institution, and the process used in this institution should be respected. Therefore, all the committees of the Legislature, and the process that is used in these committees, which report to the Legislature, must be above reproach.

I was challenged today by several members of the committee as to what kind of committee I was running when we were in the middle of a process in which the public was invited to partake, and before the process was completed, action contrary to some of the witnesses' advice was being taken by the government. I could not answer the members. Furthermore, the matter that has been brought forward by my colleague who has just spoken, with regard to the comments made to a court by an employee of the government, concerns me deeply.

As Chairman of the standing committee on general government, I cannot sit there and run a charade. To the best of my ability, I have to convince the public that their input into the committees which report to the Legislature is real and serious business.

I have asked the clerk of the committee to obtain the court transcripts so we can peruse and see for ourselves exactly what was said by the employee of the government and whether or not the allegations we just heard are true.

Mr Speaker, if the allegations are true, we cannot deal with it ourselves in the standing committee on general government. This is a matter that concerns you and all the members of the Legislature. We are looking to you and to everyone else who sits in this House to be able to support the Premier in his efforts to ensure that our institutions are respected, because they need to be, and they cannot be if what was alleged today is true.

The Speaker: I appreciate the concerns the member for Essex South has brought to my attention. The Speaker, of course, has a natural interest in the functioning of this place of ours, including its committees. I will endeavour to take a look at what has occurred and review the circumstances, and I shall report back later.

1420

CROATIAN CEREMONY

Mr Callahan: On a point of privilege, Mr Speaker: Last night in front of this Legislature some 600 to 1,000 mothers were at a vigil ceremony to dispute and protest the senseless killing in Croatia. My friend the member for Mississauga East and myself attended that function. Although a microphone had been requested in advance, due to an accident, and I recognize accidents can happen, the microphone was not there. It required the member for Mississauga East and myself and the participants to either use a bull-horn, which is probably great for politicians, or shout.

I recognize it was an accident and we have had an explanation to that effect, but the privileges of my friend the member for Mississauga East and myself were in fact breached. The organizers were looked upon by the people who were there as perhaps having done a bad job of organizing. The organization of that event was spectacular and the organizers should bear none of the responsibility, but I would hope that would not happen in the future.

The Speaker: I appreciate the administrative matter the member has brought to my attention. I will report back to him as quickly as possible.

ORAL QUESTIONS

ETOBICOKE WATERFRONT DEVELOPMENT

Mr McClelland: My question is for the Minister of the Environment. Can the minister tell us in this House why it is she refuses to answer questions about her past and present policies with respect to the environmental assessment process? I wonder if it is perhaps the result of legal advice or maybe political advice and whether or not she has handed over her responsibilities pursuant to the Environmental Assessment Act to her colleague the Minister of Municipal Affairs.

Hon Mrs Grier: I cannot recall a single occasion when I have refused to answer questions about the environmental assessment process. If the member is referring to a question that was raised yesterday by his colleague the member for Oriole, that was about a very specific situation that is currently before the Ontario Municipal Board, and I quite properly referred that question to the Minister of Municipal Affairs.

Mr McClelland: The minister says specifically with respect to the municipal board, but she should bear in mind her letter of August 24, 1988, to her predecessor, wherein she requested strenuously that this matter come under the Environmental Assessment Act and wherein she stated that if there was ever an opportunity to put the philosophy into practice, this was it; this was the time.

While in opposition the member, now the minister, waged a one-person war on the Etobicoke motel strip. She fought against what she declared at that time would be another Harbourfront planning fiasco, as she likened it to. She demanded there be an environmental assessment. She was quoted in the papers as saying it was absolutely necessary, that it was essential an environmental assessment hearing be held.

What has transpired? What has happened in the meantime since the days when she was an advocate for the people of Etobicoke in 1988? That was then, this is now? Things have changed? Constituents want to know, I certainly want to know and I think people in this House want to know. Now, as minister, is she willing to back down under pressure? Is there some sort of pressure that led her to cancel the EA? What is going on? People want to know. That was then: environmental assessment, no option, a must-be. Now things have changed. What has happened?

Hon Mrs Grier: The member says I have been fighting about the Etobicoke motel strip for five years. I regret to have to reveal my age. I ran in 1972 in a municipal

campaign saying that I was opposed to another Harbourfront, or whatever Harbourfront was then envisaged as being, on the Etobicoke motel strip. I am delighted that because of the work that has been done by my colleague in Municipal Affairs and his officials, the proposal that is now going before the Ontario Municipal Board is one that will provide my constituents and the people of Metropolitan Toronto with a clean, green, accessible waterfront, which it would not have done in 1972, in 1982 or in 1990.

Mr McClelland: With reference to the minister's age, might I say she hides it extremely well and I would never have guessed for a moment that she had been serving that long.

Having said that, when she was the member for Etobicoke-Lakeshore, she would not have agreed to what I suggest she has agreed to now. This is a 10- to 15-storey concrete curtain, the terminology used by environmentalists and people in the community. They see it as a concrete curtain right along the Lakeshore and the Etobicoke waterfront.

I very much doubt that in 1988 she would have agreed to a 10- to 15-storey concrete curtain along the Lakeshore but now, as Minister of the Environment, she is under tremendous pressure and she has been forced into negotiating a backroom deal just like her use of emergency powers to exempt landfill site expansion under the Environmental Assessment Act with no public consultation. The minister is again cutting deals behind people's backs. How does she explain that? She has shut constituents out of any sort of public consultation in this. It is a major redevelopment project. People are wondering how can this be—the champion of the environment, not only in Lakeshore but across the province—what has happened to the then champion of the Environmental Assessment Act?

Hon Mrs Grier: What has happened is that because of the work this government has done, because of the decisions this cabinet has made, the proposal for the Etobicoke waterfront is quite different from any previous proposal. It does not contain the amount of lakefilling that was anticipated and that was exempted by previous governments from any environmental assessment, and it provides a clean, green, accessible waterfront which is what was recommended by Mr Crombie, which is what has been achieved by this government and which will benefit all the people of Metropolitan Toronto.

The Speaker: New question, the Leader of the Opposition.

Mr Elston: I have a question that will be now directed to Minister of Transportation, who is now just finishing sprucing himself up.

Interjections.

The Speaker: Order. The member from Etobicoke has finished, I believe, and the Leader of the Opposition is now able to place his question.

UTDC INC

Mr Elston: I am going to direct my question to the Minister of Transportation. Eventually we will get around to talking a little bit about UTDC, but day by day we are able to extract just a little bit more about this government's economic plan. Today we found out in the newspapers, the

Globe and Mail in particular, what the group project for economic growth thinks about the plan where 150 small and large businesses indicate they believe the New Democrats are ignoring business realities. I would like to explore the NDP version of economic reality with the Minister of Transportation.

Yesterday, the minister's government announced its intention to provide UTDC Inc with a line of credit and guarantee the wages of the employees, about 700 in number, at UTDC plants. It was also our understanding that the government purchased a 90-day option to buy for the remaining 85% of the shares it does not already own.

The final and most important piece of the puzzle is that Fenco Engineers, a direct subsidiary of Lavalin, has just laid off 196 workers here in the province, in Toronto. These 196 employees, some with more than 30 years' service, were laid off without notice or severance and with no idea about what is happening to their pensions.

I want the minister to tell us today what he is prepared to provide to UTDC in detail, so that we and the public know what is being spent on that corporation, what terms of credit he has granted to Lavalin and exactly what commitment his government has made to guarantee the wages of all of the people who have been disadvantaged by the Lavalin financial problems.

Hon Mr Pouliot: I appreciate the interim leader's question and sincere interest in the 522 jobs in Thunder Bay; add to it 177 jobs in Kingston. Negotiations are going well. There are two main suitors, or contestants, and we are down to brass tacks, what we hope will be the final stages of negotiation, namely, AEG Westinghouse and Bombardier, two major international firms.

Mr Villeneuve: Are they both unionized?

Hon Mr Pouliot: Yes, indeed, and we can confirm this as negotiations are ongoing. The government of Ontario has picked up an option, simply this, that we have the first refusal or for the next 90 days we have an option to pick up the 85% share of UTDC. The member will be aware that at present the government of Ontario owns the remaining 15% of shares. With the option comes the responsibility of ensuring that the women and men in both Kingston and Thunder Bay will no longer live in anxiety. We will pick up their wages and current liabilities until an agreement can be reached, and we hope it will be done shortly.

1430

Mr Elston: We did not quite get to the substance of the question, which was, what is the minister doing in terms of telling us about the details of the arrangements for the 570, which is important; the 177, which is important; and also the 196 who have been laid off through Fenco, which is also part of the Lavalin empire and has had some problems?

We had thought, as the minister was involved in arranging the agreement with UTDC in relation to the Lavalin organization, that he would have taken some steps to ensure the security of the 196 people who were laid off at Fenco, who have not had any indication about how their

pension is to be secured, about how they are to be provided with severance, and other things.

The minister should have made the arrangements that protected workers in Ontario. While he spouts about protecting the people who are working in Ontario, he has failed to tell us what he specifically has done to provide support for those people who have lost their jobs. Under the arrangements of the deal that was cut—probably not by the Minister of Transportation, because of his surprise expressed not that long ago about the deal, but probably by the Premier—what arrangements have been made to protect all the workers who have been laid off due to the Lavalin problems?

Hon Mr Pouliot: I am pleased to try to help the Leader of the Opposition. There is a certain irony attached to the dilemma that is faced by UTDC. With the highest of respect, it was this administration—

Interjection.

The Speaker: If I could have the attention of the member for Oriole, I certainly appreciate your enthusiasm in dealing with the public business, but a modicum of restraint when others are attempting to ask and answer questions would certainly be very much appreciated.

Hon Mr Pouliot: Strike 2, Elinor, if I may proceed.

We are picking up the option on 522 jobs, and the shares will be protected until a final agreement is reached; 177 jobs, the same scenario. Under the member's administration—when we took office a little more than a year ago, we found out that \$360 million of taxpayers' money was completely wasted and could have gone a long way to guaranteeing the jobs. It was immediately the week after that we found out about another \$300 million at SkyDome.

What irony, when the member talks about protection, that his government wasted \$700 million of taxpayers' money. This administration, for a sum of less than \$10 million vis-à-vis \$700 million, is doing more to protect 700 jobs in the marketplace. That is the reality of the day. Not only does he have the facts wrong, he has a bad accountant feeding him those facts.

Mr Elston: My facts come pretty close to that. I told the minister I was happy to hear there were 700 jobs being protected in his deal. All I asked was to find out what the details were and what this government was doing to protect the 196 who were laid off under the Lavalin difficulties from Lavalin-Fenco. I did not hear any reply.

Hon Mr Rae: Are you suggesting we take responsibility for every Lavalin company?

The Speaker: Order.

Mr Elston: The Premier asked if I had a question. I said earlier I had one on UTDC, and he pointed to the Minister of Transportation, because he wanted to get out of here. I have gone to the Minister of Transportation, and now that bird is chirping over there and trying to interrupt me. He cannot have it both ways.

Let me repeat my question, Mr Speaker. My question is to this government, which has indicated that it is intervening on behalf of all the workers. It has cut a deal with the Lavalin successor to deal with UTDC. It has agreed to

spend a lot of money to purchase—at least it has an option to purchase—to guarantee the wages. It has, it seems to me, an obligation to use its position of economic negotiation at the moment to see that workers who have been disentitled to their workplace and to their benefits are also supported.

I merely ask, what arrangements are being made with the Lavalin successor, which cut loose 196 people in Toronto, to make sure they are not disadvantaged, to make sure their pensions are delivered and to make sure those workers have support? I congratulate the government on intervening to make sure there is protection for the 700, but what is it doing for the 196 when it is in the midst of negotiating with that company and giving money to the organization with whom it is a partner?

Hon Mr Pouliot: The questions are really not related. The main question and the first supplementary dealt with the dilemma, with the story of UTDC. The member could have talked to us about the 40 bilevel cars presently being built that are going to Los Angeles, or the 216 cars that will shortly be delivered to the Toronto Transit Commission right here in Toronto. The future looks good and we are positive about the sale of UTDC.

Regarding the Lavalin connection vis-à-vis the 196 workers, we have a bill in this House. In the short term, both opposition parties can help us make sure we are in a position to at least put money into people's pockets once a company is technically or otherwise insolvent. We are doing our job in terms of UTDC. It is and will continue to be a success story because of government interference at a price the taxpayers can well afford—value for money, indeed.

Mr Harris: I really do not want to get into a debate about whether it was our government or this government or that government that spent more money on UTDC. I am happy to get up in a very vulnerable position to say, why do we not all take a look at ourselves and ask, "What are we doing throwing government taxpayer dollars into things we know nothing about?"

PARLIAMENTARY PROCEDURE

Mr Harris: My question is to the Premier. I want to quote from the government's speech from the throne; not even a year old yet, but I think the Premier might agree with me, out of date in this respect: "My government's integrity will be measured by the way this government is run and our relations with the people we serve. Our task is to guard against institutional arrogance and the abuse of power wherever they exist." I like those words. We all like them.

I have been an elected member of this assembly now for slightly in excess of 10 years. Yesterday, I was truly embarrassed to be part of the proceedings in the House. Will the Premier tell this House if he is satisfied with his government's regard for the words that were in His Honour's speech when the Premier first took office and with regard for the democratic principles that govern the running of this House?

Hon Mr Rae: I found yesterday an example of one of those days when there is a tremendous gap between what goes on in this House and what is on the minds of most of

the people of the province with respect to their daily lives. I think that is something we should all be aware of.

I want to say to the member in as fraternal a way I can that I understand the House leaders had a meeting this morning in which there were efforts made to reach some understanding with respect to the balances that will be struck about statements made inside and outside the House and other issues of that kind. I know there is going to be a discussion among House leaders with respect to the rules. I know there are members of our own caucus who have some issues they want to raise in that regard and I am sure there are issues that are being raised on other sides of the House in that regard. I just say to the leader of the third party that I hope we can make some progress in this area.

Genuinely, I am not trying to be argumentative. I am sure all of us could look into our own conduct and ask at what point the rhetoric really matches the situation which is being faced by the province.

1440

Mr Harris: I agree. The Premier will know, with me, that many school classes that used to have watching the legislative debate as part of the curriculum have now said, "No, this is not what we should be showing children in our school, how our government is run." More and more schools are tuning out instead of tuning in to government.

I want to deal specifically with what I believe are some of the difficulties with the rhetoric and what is happening. I want to talk about the Minister of Consumer and Commercial Relations—it has been raised in a point of order here today—and her staff. They have shown a total disregard and contempt for the House. The public asked her to stop closing land registry offices until a committee of the Legislature could report its findings; I do not want to get into the closing issue particularly at this time. Instead, she proceeded to shut down the offices one by one, without ever hearing the report of the standing committee on general government.

The Premier and I, in opposition, spent some time discussing how we felt the rights of the public and the committees had to be strengthened in our parliamentary process. In light of what has happened in this case and the comments that were made, I would ask the Premier, how can we as legislators, how can committee chairmen, as we heard the chairman of the committee today, ever again ask for the public to come forward and express their views when it is so obvious in this particular case that the government does not care one whit what the people have to say or what the members of that committee have to say on this particular decision?

Hon Mr Rae: If the member thinks the minister has not been listening, all I can say is that my experience with the minister on this issue—and she, in a sense, came in after the decision had been taken and was trying to manage and to cope with it as a minister—is that she has tried to respond to it in terms of managing the decision. This is one of these areas that I am again—

Mr Turnbull: If you call that responding, you don't understand what you're talking about.

The Speaker: Order.

Hon Mr Rae: I say to the member who is heckling, let's get a consistent message here in terms of what they are trying to do. If his leader is trying to say, "Let's be more civilized," I say to the member for York Mills, I am happy to do that and I am trying to—

Mr Turnbull: Okay, Premier, but start listening to committees. What's the point of having committees—

The Speaker: Would the member for York Mills please come to order.

Hon Mr Rae: The member for York Mills prefaced his heckling by calling me Premier. I take that as a sign of civility in the House and I appreciate it. And I want to thank the member for Mississauga West for feeding me all my best lines. I appreciate that, and I wish him well in his upcoming campaign. He has a lot of support on this side. He probably has more support on this side than he realizes.

Let me say to the leader of the third party, in responding seriously to his point, that one of the issues we are going to have to determine with respect to rules and how the government operates is that under the parliamentary system that has been in place, majority governments, or governments, are expected and requested to act, to make decisions, to stand by those decisions, to defend them and to implement them. We face it in a budget, with the Treasurer announcing what the tax changes are going to be and simply proceeding with those and with all the requirements of budget secrecy and so on.

I say to the leader, without avoiding his question, first of all, the minister in this case has tried to be responsive to public opinion, knowing there is no easy solution. Second, I think if he looks at the record of this government in responding, we have responded with amending legislation in terms of the wage protection fund. We have responded in terms of the budget, where the Treasurer sat down after there were complaints about the gas tax and worked out a compromise. The member was very much involved in asking and insisting that be done.

The Speaker: Could the Premier conclude his remarks, please.

Hon Mr Rae: I think one of the things that is going to have to be determined under the rules is precisely this balance between the government's right to govern and the way in which party discipline operates and the way in which decisions are made and cabinet government functions, and the growing desire in the House and elsewhere for there to be a greater degree of openness.

This is faced by this assembly. It is faced by the House of Commons. It is faced everywhere. I have not heard any easy solutions to the questions, but we are certainly happy to consider them.

Mr Harris: I am going to give the Premier the specifics of the case. The minister, if she had made up her mind and made the decision—the bureaucracy tried it on six ministers before her and they all rebuffed it, but this minister said, "We're going to go ahead." Had she said, "We're going ahead, no point in hearings, no more debate," that might have been an honest, upfront way of doing it without violating the rights and privileges of members and of the public. But she went ahead with the hearings. She went

along with that. The committee went ahead with them. They had them.

Here is what the solicitor for the ministry argued in court on this: (1) The general government committee is of no significance; (b) the general government committee is really just a way of creating political heat; (c) the general government committee is composed of six members of the NDP and five from the other two parties, and all of the NDP members could be absolutely counted on to stick to the government's position of closure of the land registry offices.

Now how did the solicitor for the ministry know that unless her minister came back to her and said: "Here's what's going to happen. Never mind the committee. Never mind they are having public hearings. Never mind that people are taking time off work to have their views heard"? That is what happened.

The Premier brought up in his response the rule changes, but opposition members have very few avenues by which to bring matters of importance before the government, avenues which are supposed to be guaranteed under the standing orders of the House.

I ask the Premier, how his government can expect the opposition to proceed in good faith with his proposals to change the rules to diminish our rights even further when he refuses to respect the few rules that we have to hear from the public and to have committee input? That is the question.

Hon Mr Rae: First of all, I do not know who the lawyer is or what he said, but if the lawyer said, for example, that the six New Democratic Party members of the committee can be absolutely counted upon to support every government initiative, the lawyer knows a lot more about my caucus than I do with respect to what takes place. All I can say is the lawyer has not been present at all the caucus meetings I have been present at.

But let me respond seriously to the last point the member is making. Yes, in the context of the discussions which took place in the House last spring, we did have some concerns about the management of the House and our ability as a government to get our agenda considered and dealt with by the House in what we felt was a fair way.

I do not see this rules discussion that we are trying to get off the ground as being a one-way street in which the government says, "This is what's going to happen, like it or lump it." That is not my view of what either can happen or should happen.

We are having very intensive discussions within our own group—I expect the member is as well—about more imaginative and creative ways of involving members of the House in solving problems. The public expects two things, it seems to me. The public expects a government to have the capacity to act and to have its legislative agenda dealt with. The public also expects there to be a degree of fairness with respect to the conduct of House business between and among the three parties. I am very much aware of that.

The Speaker: Would the Premier conclude his response, please.

Hon Mr Rae: I am very much aware of the changes that are being discussed in other jurisdictions. We are prepared as a government, and I am prepared as Premier to contemplate some significant changes in the way in which this House does its business in order to facilitate both those things. I look forward to that dialogue and I hope—

The Speaker: Would the Premier please conclude his response.

Hon Mr Rae: Even in my more partisan moments, I hope we can succeed because I think we would all be better off frankly and the—

The Speaker: Will the Premier take his seat, please.

1450

PUBLIC SAFETY

Mr Runciman: I have a question for the Minister of Health, who I understand is not too healthy today. I extend my condolences. That is about as generous as I get.

I am sure the minister recalls a very brutal axe murder on the grounds of the Brockville Psychiatric Hospital this summer. A patient of the hospital, the forensic ward for the criminally insane, along with a former forensic patient, has been charged with that murder.

Public safety concerns in the Brockville area, as I am sure she is aware, have been raised as a result of this murder, and I want to pass on to her a petition signed by over 5,000 residents expressing their concerns about the situation.

The minister has had three months now to consider this. I am wondering if she could advise the House what actions she is taking to either eliminate this sort of thing happening or at the very least minimize the possibility of it recurring.

Hon Ms Lankin: I thank the member for his unusual generosity in his comments. I have been told that the Minister of Health is not supposed to get sick, but it does happen, so here we are.

With respect to the Brockville Psychiatric Hospital, I appreciate that the member's question was general, as he does know that there is an investigation still ongoing, so with respect to the specifics of the case, I am unaware of the state of the investigation and would be unable to comment on that.

In general, I did send a rather detailed letter to the member outlining steps of review that had taken place in the ministry under the former government with respect to cases of Lieutenant Governor's warrants at psychiatric hospitals. I have taken steps to ensure within the ministry that those particular recommendations from that review have been carried out at Brockville Psychiatric Hospital and other hospitals.

It is a discussion, I guess, of topical importance and we will continue with it because, in the Supreme Court decision with respect to Swain, we understand that the government will in fact be responsible to move much more quickly to house many more of these kinds of clients.

Perhaps, with a supplemental question, I could be more specific with respect to particular initiatives on which the member would like information.

Mr Runciman: I certainly hope the minister could be more specific because that essentially is a non-answer. Again apparently she is being buffaloeed by the bureaucrats.

One of the forensic patients, the individual charged, was Peter Woodcock, who had community privileges. He is one of Toronto's most notorious child-killers who has legally changed his name to Krueger after the cult horror film villain Freddie Krueger. His approved community escort was also charged and responsible for a murder in Ottawa a number of years ago, an ex-psychiatric patient. What the minister has done through her policy is to allow one killer to escort another killer into the community.

I am wondering, after three months, how she can justify the continuance of that kind of a policy. Why does she need three months to come to the conclusion that is indeed inappropriate and jeopardizes public safety?

Hon Ms Lankin: Again I am going to be very careful not to comment on the specifics of the case, and I apologize to the member, but there is an investigation still ongoing. In general, with respect to the issue of the treatment of Lieutenant Governor's warrant individuals in psychiatric hospitals, back in about 1989 there was a study that was contracted by the previous government under Peat Marwick as the consultants that involved—

Mr Runciman: I asked you a specific question about having a killer escort another killer. Why don't you deal with that?

Hon Ms Lankin: Mr Speaker, perhaps the member could be brought to order.

The Speaker: Order.

Hon Ms Lankin: The former minister under the previous government made an announcement with respect to 45 management recommendations to—

Mr Runciman: Read your book. Turn the page. You are under the control of the bureaucrats like most of those guys over there. You don't know what is going on obviously. God!

The Speaker: Order.

Hon Ms Lankin: The member has obviously lost his generosity. I can tell it has happened very quickly. The previous government, under Peat Marwick as the consultants who—

Mr Runciman: Yes, you bet. You are letting killers wander the streets and that is okay. You don't even respond.

The Speaker: Order. The member for Leeds-Grenville, you posed a question and the minister is attempting to provide a response for you.

Mr Runciman: Give me an answer. I will listen to it. Not a bunch of bunk. Baloney.

Hon Ms Lankin: I have to remark, Mr Speaker, I just came back from a wonderful luncheon that was with respect to breast cancer screening. There was a room full of 1,000 women who were dealing with real-life issues and real-life traumas, and I note the remarkable difference coming back to this place in terms of some of the ways in which people treat issues. I think the issue that happened in Brockville is a very serious issue. I think the member

raises very serious questions and I am trying to answer them. I would appreciate it if he would listen.

With respect to the recommendations made on review of forensic services in psychiatric hospitals, the first step I took after this incident in Brockville was to ensure that those recommendations had in fact been enacted within Brockville Psychiatric Hospital. I have been informed that they have been.

With respect to the specific issue that the member raises of an individual who was a former LGW patient and who was an approved companion for someone, the ministry's policies and the review which is undertaken are quite scrupulous. I have asked for that to be looked at, whether in fact that is an appropriate policy. That is part of the review that is going on with respect to the specifics of this case.

While the member may be very theatrical in his response to my answers, we are in fact trying to deal with a very serious problem that the community is very concerned about.

Mr Runciman: That is a typical, arrogant and condescending response from this minister that typifies responses from many members of that government. She is being critical of me and draws into this discussion a luncheon she had today.

I am talking about thousands of people across this province who have forensic facilities in their communities who are very legitimately concerned. We had a murder in my community. A year or two ago we had a stabbing because of her loose regulations in the Ministry of Health with respect to these people.

The minister is standing up here today and saying a killer can escort a killer. She has had three months and she has not even dealt with that. What she is doing is defending a system designed to protect the interests of the criminally insane at the expense of public safety. She is shoving people like Krueger, who is a dangerous sexual psychopath, out of maximum security facilities and into our communities, and she put him in an area where one of his victims' family lives. That is what she has done. She is consistently, in a very cavalier and callous way, gambling with public safety and ignoring victims and their families.

My final question is, will the minister commit herself to cleaning up this system so that public safety and victims' rights are its top priorities?

Hon Ms Lankin: I am going to say that I take great offence to this member saying to me across the floor that I am arrogant in my responses. People in this House know I take my job very seriously. I do not display arrogance.

I am very concerned about the people in the community of Brockville who have experienced this horrific event in their community, as well as people in other communities. We have a system that is in place. I am not personally responsible for the loose guidelines this member refers to, but quite frankly—

Interjections.

The Speaker: Order. Difficult and contentious issues are not made any easier by language which inflames the situation, on both sides of the House.

Interjections.

The Speaker: The minister is not required to provide a further response.

HUNTING AND FISHING IN ALGONQUIN PARK

Mr Ramsay: My question to the Minister of the Environment follows along the same line of questioning of my colleague the member for Brampton North. We have to start to question the responsibility this Minister of the Environment takes for her job and specifically for the Environmental Assessment Act especially, unlike the Etobicoke situation where the proponents are private developers, in the case where it is a government initiative, there is publicly perceived harm to the environment and there are taxpayers' dollars involved. A few minutes ago, I gave advance notice to the minister of my question, and just in case she did not realize it, the Ad Hoc Committee to Save Algonquin Park has sent her a letter today requesting an environmental assessment on the government's draft agreement between itself and the Golden Lake Band, which is now going to allow hunting right across eastern Ontario, including provincial parks such as Algonquin and others.

I draw the attention of the minister to the final section of that letter. It asks her to make a determination for an environmental assessment before—this is very important—that agreement is signed. Just to remind the minister, unfortunately her colleague the Minister of Natural Resources wants this agreement signed next Tuesday, after giving us only 48 hours' notice of this agreement.

I am asking the minister today, will she meet immediately with these groups requesting this EA to see whether they can start to work this situation out?

1500

Hon Mrs Grier: I thank the member for having sent a copy of the letter over to me, which I gather was sent today by the Ad Hoc Committee to Save Algonquin Park. As my colleague the Minister of Natural Resources told the member yesterday, the document that had been released was there for consultation. I appreciate this contribution to the consultation and will discuss it with the Minister of Natural Resources.

Mr Ramsay: That answer is just not good enough. The minister talks about consultation. She is saying five days is going to be all the consultation. I have some quotations from this group. I am giving this to a minister who has always been the champion of the public with regard to public input and involvement on the Environmental Assessment Act. I am asking the minister to be that champion again.

These are the quotes: "...promised public consultation; it did not occur. The public has been given only two days to comment before this agreement is signed. The document was released on October 8. Real change is unlikely in this document since it is going to be signed on the 15th. Sure we had some meetings with the various ministers, but I wouldn't call that consultation. Asking another group consultation? It was zip. We didn't have any."

I am asking the minister whether we could start a consultation process. She has the authority to initiate an environmental assessment on this very profound impact on

eastern Ontario. I am imploring the minister to exercise her authority today. Will she do it?

Hon Mrs Grier: Let me respond to the member by pointing out to him that I am still the champion of the environment but, unlike previous ministers of the Environment, I am not alone in my cabinet in championing the environment. I am one of a collectivity of champions of the environment within our cabinet.

Let me also remind the member that when he was the Minister of Natural Resources, his government entered into an agreement for the hunting of deer in eastern Ontario, which had exactly the same limit on the hunt as this agreement. I do not know whether there was an environmental assessment of that particular agreement. As I said in my response to his first question, I will consult with my colleague the Minister of Natural Resources about the letter, which I have just received today.

NORTHERN ONTARIO

Mr Harris: My question is to the Deputy Premier, the Treasurer, the member from northern Ontario. Forintek Canada Corp, a forestry research institute, is in the final stages of making a decision about where to relocate its eastern laboratory. The Treasurer should know that both Quebec and northern Ontario are the two on the short list being considered for the 80 jobs. These are high-tech research and development jobs. They are supported by the federal government, by virtually every other provincial government and by virtually everybody in the forestry industry. It is not supported by the province of Ontario.

At a time when Ontario is in desperate need for research and development jobs, when our forest industry is under assault, when some of our processes and technology are aging and when our competitiveness is causing layoffs all across northern Ontario, as I think the Treasurer would know, can he tell us why he, the Minister of Natural Resources, the Minister of Industry, Trade and Technology and the Premier—in contrast to the Premier of Quebec and the various ministers who have been lobbying, talking to this company and laying out the red carpet—seem not to know very much about this facility and are not willing, at a senior level, a ministerial level, to meet with this company and secure these 80 jobs for northern Ontario?

Hon Mr Laughren: In view of the fact that this is an important question, I wonder whether I could refer it to a very senior member of our cabinet, the Minister of Northern Development.

Hon Miss Martel: I asked that the question be referred to me because I met with representatives from Forintek several months ago. I was very interested in their proposals and encouraged them very much to arrange meetings with the Minister of Natural Resources and the former Minister of Industry, Trade and Technology to talk about this particular issue.

I know the member is having communications with this company, so he knows very well that we are presently in negotiations with it to determine sharing costs among the three ministries—the Ministry of Mines and Northern Development, the Ministry of Natural Resources and the

Ministry of Industry, Trade and Technology—to attract Forintek to Ontario.

Mr Harris: It is very significant that the Treasurer and a senior minister and the Deputy Premier knew nothing about this because it has not got to that level yet.

Hon Mr Laughren: Who said that?

Mr Harris: The honourable member's face told me that. She should stand up and tell me all she knows about it.

It is very significant that the Premier of Quebec and the senior ministers in Quebec know we are talking to this company. I am going back now to July 29, and nothing has changed since then other than a little memorandum going forward from the Minister of Industry, Trade and Technology saying:

"We should go through the regular channels. Ontario has not been willing to participate in the partnership that funds the annual operation of Forintek. We have had Extensive discussion with Ontario's Ministry of Natural Resources and Ministry of Industry Trade and Technology. Regrettably, we must conclude that little value is placed on Forintek's presence in Ontario."

This is the company that wants to bring 80 high-technology jobs to northern Ontario in the forestry industry. The world is passing the honourable member by, and it is because members opposite are all too busy meeting with Bob White and dreaming up new regulations for the province, while other provinces are in there stealing our industries, our jobs and our investments. Will these government members commit today (a) to supporting Forintek and (b) to participating in the sharing so they can make the decision tomorrow?

Hon Miss Martel: If there are problems in the forestry industry in northern Ontario, it is because of the federal government, the friends of that group of people there, who with the 15% softwood lumber tax they only took off, and with the high value of the Canadian dollar and high interest rates, are killing the forestry sector in northern Ontario. The member's federal friends are directly responsible for it.

With respect to the negotiations that are going on, maybe the member's former Premier did not trust cabinet ministers to make deals with companies in Ontario. I am telling this member that our Premier has the confidence in me, in the Minister of Natural Resources and in the Minister of Industry, Trade and Technology to put this deal together, and we intend to do just that.

WAGE PROTECTION

Mr Morrow: My question is to the Minister of Labour. I have an awful lot of people in my riding asking about the status of Bill 70, the wage protection program. I also understand that there are an awful lot of people who are looking for money for the wages that are lost. We also understand it was supposed to pass third reading in the House this week. Could the minister possibly tell us the status of that, and how many people are going to benefit from Bill 70?

Mr B. Murdoch: Ask the people right beside you.

Mr Turnbull: If you weren't asleep, you would know what was happening.

Interjections.

The Speaker: Order. The member for Grey and the member for York Mills are preventing the Speaker from hearing the response. The Minister of Labour.

Hon Mr Mackenzie: I think it is a valid question that a lot of people are waiting for the answers to. We have had better than 18,000 claims. We have completed assessments on 6,000 of those claims. We can have 2,000 cheques out the first week after the proclamation and we can start the others shortly thereafter. The only problem we have is completing the legislation, which nobody seems to really disagree with, and start the cheques moving out to the people who are owed the money.

1510

UTDC INC

Mrs McLeod: My question is for the Minister of Transportation. The minister was most anxious to answer a question from our leader about UTDC, so we will now give him an opportunity to respond to that specific question. We are very appreciative of the fact that the government has found a way of providing some interim funding to UTDC to keep its plants in Thunder Bay and Kingston operating while the government makes a decision about the sale of the company, although it is frustrating to learn about the details of these negotiations only through the newspapers.

We are well aware that there are at least two private sector bidders for the company. We are also very well aware that the management and the employees of this company have been waiting anxiously for many weeks now to learn of the government's decision. The government has said that uncertainty over the ownership is hurting its ability to secure contracts as well as heightening the anxiety for the workers. I ask the minister, what is holding up the decision and can he give us an assurance that these negotiations will be successfully concluded very shortly?

Hon Mr Pouliot: I appreciate not only the commitment, but the knowledge and ongoing following of the dossier by the member for Fort William. It is fair to say that in the political arena perhaps no one is more aware of the dilemma or the impasse at UTDC than the member is. She should be, and it is not uncommon. It is not being parochial. It is people who are paying our collective wages, and she comes from that region. There again my compliment, mes hommages.

We have received one initial offer from the AEG Westinghouse group, and another initial offer from Bombardier. We go back about a month. We have asked that they come back, because the offers were relatively close. There was little to differentiate between one and the next on many components and not enough to bring those components to a catalyst to enable us to make a decision.

We have said to AEG Westinghouse and Bombardier, "You can do better." In the meantime Lavalin, which owns 85% of the shares, is saying: "We can't pay the bills. We can't make ends meet." More important, the workers are saying: "What are you going to do in terms of anxiety?

Am I going to get paid next Friday for the work I have done?" In the interim, in the short term, we have provided a few million dollars, not that much money, to make sure people get their paycheques until an agreement can be signed. We are hoping the agreement will be signed within a matter of short weeks.

Mrs McLeod: I am looking for an assurance from the minister that this agreement will be successfully completed in a very short time. In the last few years these UTDC plants have overcome a legacy of problems, which arose when the company was under public ownership, incidentally. This plant now produces world-class products, offers top-quality service and the plants have a proven record of success in international bids. Surely the minister and his government can understand that this is exactly the kind of company we need to keep and should be able to keep in Ontario.

What is worrying me—the minister would perhaps acknowledge it—is that the antibusiness record of this government has created a real crisis of confidence for private sector investors in the province. I would like from the minister some understanding this afternoon of the assurances the government is able to provide in this case to two prospective private sector buyers of this company, that they can invest safely in these companies and in Ontario. What assurance is he providing to those companies to bring these negotiations to a successful conclusion?

Hon Mr Pouliot: Let's talk about business acumen. I welcome the question. I give the member the assurance that the tone of the negotiations is businesslike. Negotiations are straight to the point and we are just about to reach a conclusion in a matter of short weeks. There is no antagonism here, because this is what is being said in the real world of business, that 40 bilevel commuter cars for the city of Los Angeles are presently being built—that is worth \$70 million in real money—and 216 T-1 subway cars for right here, the greater Toronto area. That is real money in the real world and real money in the pockets of workers. And 40 advanced light rail transit cars for Vancouver. If that is not good business, I do not know what is.

Our focus is to guarantee the jobs. They way you guarantee jobs is by going to the marketplace and encouraging companies to establish a partnership with the government of Ontario, which presently owns 15%. All our options are open. We are doing what needs to be done. Exercise a little more patience. You are just about to win this one.

LAND REGISTRATION

Mr Tilson: I have a question for the Minister of Consumer and Commercial Relations. I am sure the minister recalls the story last week reported on the television program *The Fifth Estate* on the implementation of the Polaris land registry system in the province of Ontario.

That program outlined some very serious concerns regarding this system, including the circumstances surrounding the original bid for the project and its potential to compromise the privacy of all Ontarians. That was the general gist of the television program. *The Fifth Estate* managed to find out some of the provisions in the minister's partnership agreement with Real Data Ontario,

and these were reported on the television program. According to The Fifth Estate, under this agreement both sides have agreed to keep the details of the partnership agreement secret for ever, a most remarkable clause.

Would the minister tell this House today why she wants the details of the partnership agreement to remain secret for ever?

Hon Ms Churley: I did see the program and was aware of its existence for some time. As the member knows, this project has been around for some time and had been approved by the previous government. The magnitude of the—

Mr Sorbara: Nearly approved.

Hon Ms Churley: Actually, the member across the floor is quite right. It had almost been approved by the previous government and then, of course, the election was called.

What I should say is that this government, because of the magnitude of this particular project and the implications to taxpayers, took nothing for granted. It did extensive external and internal reviews of the project, and at the end of those reviews came to the conclusion that it is a very good deal with the private sector. The government fully supports it and believes it is going to be a good deal for the taxpayers of Ontario.

Mr Tilson: I find it amazing that the government would take it upon itself to make an agreement of this magnitude, literally giving away all our secrets to a group of people we do not even know, and that it is going to keep that secret for ever. That agreement is "secret for ever." I submit that the minister has not answered the question at all. I hope she intends to file that agreement with this House.

All we have to refer to is what was revealed in that program, because she will not tell us what the contract was. Under this secret partnership agreement, as reported in The Fifth Estate, the government guarantees Teranet a minimum revenue flow. That was one of the provisions of that agreement.

I feel it is important that Ontario taxpayers know where their tax dollars are going. This, of course, has been stated by the Treasurer. I would like to know what this guarantee works out to in dollar figures.

Hon Ms Churley: Some of the information that was on the program was not correct; there were inaccuracies in that program.

I have to say this is going to be worked out over a great number of years and is going to save the taxpayers money and make money for the taxpayers of Ontario.

The member refers to a "secret" deal; there is no secret deal here. As the member is very aware, when any company begins a new project, certain documentation is always kept private. That is for the simple reason that certain information, if made public, will hurt the company's ability to compete in the marketplace.

I will be happy to provide the member with further details later, because I can see Mr Speaker would like me to sit down now.

1520

SCHOOL TRANSFER

Mr Hansen: My question is to the Minister of Education. Recently in my riding, the two school boards, the Lincoln County Board of Education and the Lincoln County Roman Catholic Separate School Board, signed an agreement to hand over Grantham High School to the separate school board.

Under the original conditional agreement, the public school board was to receive funding to complete much-needed remodelling at two of its schools, one being South Lincoln High School in Smithville. However, with the recommendations of the Planning and Implementation Commission, the funding for the two public schools was dropped from the final agreement.

Since that time, a number of public school supporters in my riding have expressed concern that the agreement signed by the two boards does not include an allocation to renovate South Lincoln High School. Can the minister clarify the reasons this allocation was not made?

Hon Mrs Boyd: The member is quite right that there was some sort of preliminary agreement signed between the two boards under the Planning and Implementation Commission process earlier on. That agreement was never forwarded to me with a recommendation from PIC. The parties went back to the bargaining table. They were aware of the general financial parameters that the government had set on this kind of situation. They reached another agreement. I do not know the process by which they came to that agreement and I have not officially received the agreement to sign as yet, so it is difficult for me to tell the member what their process was.

I can tell him that certainly boards must understand that the province does not have an unlimited supply of money and that settlements of Bill 30 issues cannot be used as ways to get money for other projects that schools want to do.

VISITORS

The Speaker: I would like to inform members that we have been joined this afternoon. Seated in the Speaker's gallery are Dr Carlos Da Costa Neves, the Home Secretary for the government of the autonomous region of the Azores, Portugal, and Dr Jose Manuel Viegas, the consul general of Portugal. Welcome.

PETITIONS

TOBACCO TAXES

Mr B. Murdoch: I have a petition from the Western Fair to the Legislative Assembly of Ontario:

"Whereas the present high levels of taxes on tobacco products are excessive and contrary to the interests of Ontario's two million smokers; and

"Whereas high tobacco taxes are contributing to retail theft and to our province's cross-border shopping crisis; and

"Whereas these punitive taxes and resulting lost sales are contributing to inflation as well as costing jobs in Ontario; and

"Whereas high cigarette taxes are regressive and unfair to low- and modest-income citizens;

"We, the undersigned, petition the Legislative Assembly of Ontario as follows:

"That Ontario tobacco taxes should not be increased in 1991 and, further, that these taxes should be repealed and a new lower and fairer tax be introduced."

OATH OF ALLEGIANCE

Mr J. Wilson: I am pleased to rise to present a petition to the Legislature of Ontario, which reads as follows:

"Whereas the Queen of Canada has long been a symbol of national unity for Canadians from all walks of life and from all ethnic backgrounds;

"Whereas the people of Canada are currently facing a constitutional crisis which could potentially result in the breakup of the federation and are in need of unifying symbols;

"We, the undersigned, respectfully petition the Legislative Assembly of Ontario to restore the oath to the Queen for Ontario's police officers."

That is signed by a number of good people from my riding, Simcoe West, from the township of Tecumseh and the village of Tottenham, and I too have affixed my name to this petition.

Mr Mahoney: I have a petition, Mr Speaker:

"Whereas Her Majesty the Queen, at her coronation in 1953, took a personal oath to the people of Canada, and Canadians have always reciprocated with oaths of allegiance and service to the person of the sovereign;

"Whereas it is our right and duty to take oaths of allegiance and service in such form;

"Whereas Ontario Regulation 144/91 made under the Police Services Act, 1990 denies Ontarians this right;

"We, the undersigned residents of Ontario, loyal to Her Majesty Queen Elizabeth II, Queen of Canada, petition the Legislative Assembly of Ontario to resolve that His Honour the Lieutenant Governor in Council be requested to revoke Ontario regulation 144/91 and restore the traditional oath of service to Her Majesty for police personnel in Ontario."

I present this petition and have affixed my signature thereto.

ORDERS OF THE DAY

EMPLOYMENT STANDARDS AMENDMENT ACT (EMPLOYEE WAGE PROTECTION PROGRAM), 1991

LOI DE 1991

MODIFIANT LA LOI SUR LES NORMES D'EMPLOI (PROGRAMME DE PROTECTION DES SALAIRES DES EMPLOYÉS)

Resuming consideration of Bill 70, An Act to amend the Employment Standards Act to provide for an employee wage protection program and to make certain other amendments.

Suite du débat ajourné sur la motion visant la deuxième lecture du projet de loi 70, Loi portant modification de la Loi sur les normes d'emploi par création d'un

Programme de protection des salaires des employés et par adoption de certaines autres modifications.

House in committee of the whole.

La Chambre en comité plénier.

Section/article 16:

The Second Deputy Chair: Yesterday we were debating an amendment moved by Mr Offer to Bill 70, section 16 of the bill as reprinted, that clause 65(1)(rb) of the act, as set out in section 16 of the bill as reprinted, be struck out. I believe when debate was adjourned, the honourable member for Brampton South had the floor.

Mr Callahan: When last we were dealing with a particular clause by the government, I raised, and I perhaps reiterate to get back to the area I was at, the question that regulations are the silent laws of this province. They require absolutely no scrutiny from members of this Legislature. The net result of that is that a government, simply by a cabinet order, can increase the amount of protection under this bill.

I must correct the record. Yesterday I indicated that it could perhaps also decrease the amount, but the bill is quite specific that it cannot do that. The only thing that is open to it is to increase it, so in fact what we are looking at is a blank cheque.

I want to paint this against the background that quite obviously people in this Legislature representing their specific constituencies share a common concern about the protection of workers, in the event that a business closes or in the event that a business leaves the country, to ensure that there is a continuum of support for these people. But on the other side of the coin, you have to create an atmosphere that is going to make it possible for those businesses that wish to continue to be able to survive. We want to create an atmosphere of certainty about investment. We want to create an atmosphere that is going to make the labour market or the business people provide the jobs so that in fact there will be jobs.

If you create uncertainty by creating a scenario that allows, one, a blank cheque routine, and two, and probably more significantly, this to be done without the democratic protections of its being canvassed and viewed by the elected representatives of this House, then I suggest that what you in fact do is create an air of uncertainty that is totally unnecessary in this time, in this place, in Ontario.

1530

It is interesting to note that in the last month or so all sorts of forecasters have been indicating that the recession is winding down. When I heard those circumstances, I had to think about it. I thought to myself, "That's not happening." There are lots of indicators that each and every one of us see as we walk around our constituencies to demonstrate that the recession is not winding down. In fact, in the Globe and Mail or the Toronto Star, I guess two or three days ago, there was a front-page story that the recession had got deeper.

We are dealing with a very fragile economic situation here. It is all well and good for all of us to have great concern, and I think it is appropriate for there to be some form of protection for workers who may lose their jobs for

various reasons, but at the same time it is inappropriate that in a recession which appears to be not abating but getting worse, we have such uncertainty that the people who have the capital and who are prepared to create the jobs, who are prepared to invest in this province, are concerned about doing that.

We may say to ourselves: "Why should the fact that there is a wage protection program create uncertainty? Why would people not be prepared to generate jobs by investment of capital? That is not a great uncertainty." I suggest to members that one thing every member of this House has to understand is that every small quirk or loophole that a businessman cannot put into his business plan to determine exactly what the cost of doing business is and what it is going to cost to operate at a profitable rate so that he does not go under and does not have to lay off his employees, every small item has to be there in a definitive way so that he can plan effectively for the creation of those jobs that all of us so greatly want to be available in Ontario.

When we look at the loss of jobs over the last year, it has been dramatic and tragic. We have all seen the results of those lost jobs. We can blame them on whatever we like. We can blame them on free trade, we can blame them on a whole host of things, but the fact is that those jobs are leaving this province. The net result is that we cannot afford to create any degree of uncertainty in that fragile relationship to develop those jobs. I suggest that is exactly what is happening here, and it bears repeating, because in fact what the government is doing is giving a blank cheque.

A similar type of thing was debated on Bill 118. I am not going to get into that, but it is significant that this legislation creates an uncertainty as well. The people who are going to take a chance, even in a recession, to start up a new business and create those jobs to replace the ones that have been lost by employers going under, employers leaving the province and so on, are sitting down and trying to write out their business plans. They are trying to figure out just what it is going to cost them to create this job, at the risk of their own capital, and also what liabilities they have.

We have this blank cheque. That is a real problem. We have a blank cheque that bears no scrutiny by the people who have a right to speak on it, if the government of the day, be it this government or any other government, decides it wants to up the ante from \$5,000 to something greater.

I have alluded to Bill 118, which allows hydro rates to be increased. Some people say: "So what? We've got the cheapest hydro in town." The fact is that the relatively good price we have for hydro under the present Power Corporation Act, before it is amended, encourages business people to set up shop in this province and create those jobs.

I urge this government to really look at it from the standpoint that jobs do not just spring up out of the ground. We do not go sprinkle some seeds and jobs arise. Jobs are created by people who are prepared to risk their capital, and if we do not give them the groundwork so that they can significantly understand that the rules are thus and the rules cannot be changed without a particular type of attention being brought in a public forum such as the

Legislature, then what we have done is create an air of uncertainty.

As much as I applaud the actions of the government in an attempt to protect the workers of this province, I really ask it to look at that. I think we fall into a real state of—I am trying to think of the proper word—misleading ourselves by talking about this order in council. I am sure the people out there in the public domain, those who perhaps do not follow the proceedings of the Legislature, see a Lieutenant Governor's order in council as being our good and gracious Lieutenant Governor ensuring that fairness will be dealt with throughout.

I think that is an appropriate approach to take, because our good Lieutenant Governor has served this province well. He is a man of great integrity. He is respected by the citizens of this province. However, people have to understand the Lieutenant Governor's role. I am sure if he had the ability to be able to oversee that, he would, but that is not the legislative technique of this province.

It is important that the people in the government members' ridings who are watching this bring this to their attention and that the members make them aware of the fact that this is a decision made behind closed doors with no input whatsoever and nobody to be the watchdog on it. I do not want to impute motives that would be inappropriate to the government. I am speaking of not just this government but any government of the day. That is what laws are for. They are to be certain. You are supposed to know not just for today, not just for this government, but down the road.

If we going to have a piece of legislation that makes sense, there has to be certainty to it. Let's say that down the line—again, I am not imputing motives to any particular government—it becomes important because of some exterior force; let's say an Angus Reid poll. I should not really give them an advertisement. Any of the pollsters could say, "It would be a good thing, government, to increase the protection for workers," not because the economy says it is needed, because that would be an appropriate increase to cover the fair and just needs of the workers, but for political purposes. I know that would not happen, but it might.

If that avenue is there, it creates uncertainty too. It makes me feel uncomfortable. It should make the people who would be the shakers and movers of the day uncomfortable that they would have the responsibility to take a piece of legislation that was meant to help people and use it as a political tool. We want to avoid that. We want to make certain that cannot happen. The best protection to ensure that does not happen—and I think this is a common statement throughout history—is that democracy flourishes best in the light. The darkness that you shed on democracy makes democracy work less effectively.

If there is one thing that my colleague David Fleet, the former member for High Park-Swansea did, in having guts and intelligence when he was chairing the standing committee on regulations and private bills, it was to prepare a very excellent report, which I urge each and every member to read, about the very thing I am talking about, regulation. He tried to enlarge the powers of the regulations and

private bills committee to have more input and more control over the decisions made by order in council.

1540

If that were in place, if in fact a committee of this Legislature, albeit perhaps with just 10 members, had the opportunity to look at and examine the motives of why a particular matter was being changed by regulation, I would feel a little more secure and I think the business community would feel a little more secure. They would know that the people who are responsible to them and hold the sacred trust to look after their interests had had an opportunity to examine the regulation.

We have not got there. I hope that one day this Legislature will become enlightened enough to change a number of things, and that is one of them. I hope they would change and become enlightened enough to refer bills out to committee after first reading rather than after second reading, when the policy of the bill has been established. Going to public hearings then is a waste of taxpayers' dollars. Not one word of what people say is listened to. I would like to see those things changed.

To get back to the question of the amendment—I am sure the Chair will bring me back to it—talking about it as a regulation, the impact of that on the business community is such that it should not be by regulation. I know that would cause some difficulty for the government of the day, because it would have to bring it back into the Legislature if a change were required. I suggest the ceiling that has been placed there now is one that should be adequate for the time being. It is not something that necessarily has to be changed immediately. Why should it not be brought back into the Legislature to be aired in the full view of the elected representatives? That would give a degree of certainty to the community that creates the jobs.

If one looks at the amendment and does not really examine it or listen to the other members who are speaking on it, one might very easily think, "It's fairly innocuous, it's not difficult, it's not going to create a problem." I think the members have to examine the full gamut of it. They cannot simply say, "Trust me." If the members said to the electors today, "Trust me," the electors might very well laugh at them. We have created our own reputation, which probably runs second to that of the oldest profession in the world. We have created it ourselves because we have done such things as sending bills out after second reading, when the policy is in place, and doing things by order in council.

I bet the members that if I sent a page back there to bring me the 95 volumes or whatever it is of the Revised Statutes of Ontario and all of the red books, the amendments, we could go through them and spend time counting the number of acts in this province which have opportunities for decisions to be made by regulation. There are basket clauses, as they call them. Some of the basket clauses are so wide you could do literally anything under the act. We should do that. We should direct our attention towards making regulations more accountable, requiring that they come before responsible elected members of the Legislature.

If we did that, the minister would not have any difficulty with this clause, because that regulation would have to bear the scrutiny of elected representatives. This is not

necessarily a criticism directed at the government. It is reality that more often than not those regulations are made after five or six people have got together in a room and thought: "This is a good idea, but we don't want to lock it up in the House. We want to have the flexibility to be able to roll whenever we want."

If I could be sure those people in that room were all elected people, that would give me great comfort. But I am willing to bet that if I were a fly on the wall in those meetings, four of them might be elected and the other four would probably be what are called spin doctors, or unelected representatives. That, to me, is dangerous, because what is happening is that the unelected people are not accountable to anybody. They are not accountable to the people of Ontario who elected us. Therefore, there is nothing that can be done if they carry out their program in an inappropriate way and it results in either the amount being increased and businesses leaving the province, or having to get out of business because they cannot effectively make a profit. Who do you go to? How do you get to those four unelected people or whatever the number is? You cannot.

Obviously the whole purpose of democracy and our way of life that has kept us free is that accountability is the final step. That is how the people of this province have their strongest way of keeping all of us in line and making certain that when we enact laws they are for the betterment of the people who gave us that sacred trust. It is because they have their final arrow and that arrow comes at the ballot box. How do they get at these four, five or six people who have had some input into why this regulation should change and why the ante should be jacked up from \$5,000 to \$7,000 or \$10,000?

We all know and we all share a common concern in this province. My good friend the Treasurer day after day—I have great empathy for him—puts up his shield and fends off the arrows, trying to defend his budget deficit of some \$9.7 billion, saying, "We're going to fix that by telling all the ministries they must pare down their expenses." If that young fellow there, the Treasurer of Ontario, can work that hard to try to keep our spending in line and to ensure that we can carry on with all those marvellous programs that were formed by our government and are being done by the present government, if we are going to have the money in the pot to do that and if the Treasurer is going to work so hard to try to pare down the costs of ministries, then I think it behooves us to ensure that this amendment be framed in such a way that it can be scrutinized and controlled, or at least not be a blank cheque.

I say this because I was watching—I am nutty enough that I go home and watch this thing a second time. That is really sick. My kids look at me like something is wrong. In any event, as I was listening, and I think it was yesterday, somebody was asking the Treasurer, who is a man of great integrity—I enjoy him; he is a very good person—about a dinner that took place at the Royal York Hotel for, I think it was, \$800 or \$900 at \$17 a plate for 256 or something for the Ministry of Government Services. We have all these marvellous rooms that we occupy around here and that are not constantly in use. I would venture to say you could walk through the corridors of Queen's Park and all our

adjoining buildings and you would probably find all sorts of space where the cobwebs have settled because no one has been there.

I bring that up simply because the Treasurer is trying so hard, and I believe him, to pare that money away from ministries. Yet while he is doing that—his comment when the question was asked of him was, “I didn’t know about that”—I watched the new Minister of Government Services up there, and I congratulate him on his new post, and he did not flinch. If the Treasurer, who is a man of significant substance and is close to the Premier cannot control the expenditures of the ministries that he would like to, what assurance do we have if this amendment goes through and if changes could be made by regulation? What protection do we have? What do I and everyone else here do, not as just opposition members but as government members? Those members who are in the shadow of power, and perhaps outside the shadow of power; some of them may even be outside the shadow of the shadow of power, because I know what that is all about.

1550

But if members are outside the shadow of power, they are going to have to explain at some point to their business electorate how the ceiling went from \$5,000 to \$7,000. They are going to say: “Did that happen in the House? Did you vote for it? Did you know about it?” I think I am helping out the newer members in the House by letting them know how they do it. The members opposite are going to be able to say to them: “It wasn’t my fault because I have no control over that. This is done by order in council, big stuff.” Then they will say to members opposite: “Well, Mike, what’s an order in council? Who does that?” The members are going to choke over it and they are going to say, “I think it’s done by eight or nine responsible people in the back office.” Then they are going to say: “That’s fine, Mike. What are their names and what are their ridings?” The members are going to say, “I don’t know.”

What I am trying to do is help the members out when they have to explain why it went up from \$5,000 to \$6,000 or \$7,000 or whatever, and again, I hasten to add, without justification. Quite obviously we want to protect our workers where they are left out to dry because of bankruptcy or unconscionable closing down of a business, but more often than not those cannot survive because of the economic climate, because of changes that take place.

I strongly urge members to look into their souls so they can look into the mirror when that question is asked and say, “We listened and we voted down an amendment that would have allowed that increase to take place without it coming to the floor of the Legislature.” In the alternative, when they are asked, “Why did it go from \$5,000 to \$6,000 or \$7,000?” they will be able to send a copy of their Hansards where they and their fellow legislators debated the issue. Right there in Hansard it will say that the reason the price went up was because it was there to meet the very legitimate concerns of those people who had lost their jobs, who we care for, and that we debated it, that it did not happen in the back room on the second floor, down in that corner office or wherever else this stuff takes place. I do not know because I was never privy to that stuff. But

members will be able to hold their heads up high and they will be able to go back to Kitchener and be greeted in a fashion befitting a politician who honestly did his job, each and every one of them.

I urge them to consider that and I thank them for their attention.

Mr Cordiano: I rise to participate in this gleefully, but I want to say to my colleague who spoke earlier, with reference to watching our proceedings a second time on television, that I would think better of it. In fact, being here once is enough during the day, without having to revisit this on television later in the evening.

There are of course worthy debates and worthy discussions that take place here. I want to focus my attention on what we are dealing with and say with respect to a ceiling of \$5,000 that is done by regulation that it is quite troublesome and worrisome on our side of the House. Our concern, as my colleague pointed out earlier, is that the amount could be raised at any time, given whatever whimsical desire there is on the part of the government to raise that ceiling without real justification in this House. I think it speaks volumes about the kind of initiatives that should be taken with respect to legislative authority mandating such changes. They should be done in this House. Quite frankly something that is law should not be changed by regulation in such an easy fashion. This piece of legislation which is called for is very important. It is very fundamental to the way this recession works itself out. In fact, if we come out of this recession it will be largely because we are able to do it by our own means. I think this legislation has a direct impact on that.

What we do in this place has a direct impact on how we conduct ourselves in an economic fashion in this province. We have a big impact on how the economy functions. This government will have a big impact on the way the economy functions. I think it is important to keep that in mind. It is important when we are bringing about changes of the kind we see here today, changes that have a fundamental impact on the way people think about how to shape their economic futures.

It has the kind of impact which says to someone in the future that we are not going to be certain about what changes will be coming down the pipe. I think that is the sort of thing people are concerned about in our jurisdiction these days. The uncertainty is not just with respect to the economic factors that go into a decision to locate investment capital in this province, it is about the kind of changes which will occur by regulation, the kind of changes which will tie up small businesses, which we see at the present time in this province having difficulty coping with the red tape that engulfs them.

We hear pleas from the business community, particularly the small business community: “We’re having a difficult time, a very difficult time. We’ve never seen the kind of difficulties we’re experiencing now.”

In that climate of uncertainty and in that climate of anxiety, to bring legislation which does not try to rectify its uncertainties or clear up its intentions is very difficult. This bill is not unworthy in what it attempts to do; it is noteworthy, it is full of merit in many regards, but I think the

uncertainties have to be cleared up. That area needs further clarification. It needs to be dealt with in this Legislature. To leave it to be determined by regulation—that level of \$5,000 can be changed at any time in the future—I think is a fundamental mistake.

The fact that this bill spills over into other areas can be problematic as well. What I mean is that workers can claim to have been docked pay for other reasons and may be entitled under this legislation to pay that has been docked for other reasons, as I said earlier, and to claim those wages under this act. I think there is a great deal of uncertainty with respect to that as well. I have concerns about that aspect of this legislation and I want this government to clarify its position a little further with respect to workers being able to claim pay that has been deducted for whatever reason—but who still have their jobs, mind you. They still continue to be employed by that employer but will be able to claim wages lost for other reasons. That is a whole other issue this legislation must clear up.

The uncertainty with which we deal with this bill continues to plague the economy. People have anxiety because of the uncertainties, because the climate is not clear, the direction is not clear. We are seeing a shrinking economic pie, yet there is a greater desire on the part of this government to steer us in a direction that says, "Let's deal with that shrinking economic pie more closely."

1600

All of our energies have to be directed towards increasing that economic pie, making it larger. These matters which attempt to clarify the labour situation—wage protection, other items that are being brought forward by this government—do not deal with the basic economic fact that we have a shrinking economic pie at the present time, that we are in a serious recession, not just a temporary situation. Some people think this is a serious situation which may last well into the next five years.

We do not want to be pessimistic, of course. We feel things can improve by the willingness of governments and of people in the province to work together to improve our situation. We can do that. However, we have to be of the school of thought that says we have to attract investment to this province, we have to attract wealth creation and people who are interested in making things happen, and those people do not come easily. They are difficult.

It is difficult to encourage people even within our own jurisdiction, let alone foreign investment, which we depend on, but to encourage people in our own jurisdiction to risk capital is something we need to do, and it simply cannot happen if we are going to bring about legislation and policies which do the opposite. The climate at present being what it is, I think it is not well suited to bringing in legislation which questions that, which adds an even further strain in terms of the investment picture.

While we look forward to initiatives to improve the situation with respect to employees having lost wages—again, I say there is a principle at stake here which is supportable on our part—the concern we have with the lack of clarity on this question that will be dealt with by regulation is one that I think will continue to cause problems for us unless we hear further definitive statements

and clarifications from the government. This is not just with respect to the whole theme of this bill, which I think in itself causes uncertainties for the investment picture, but with the lack of clarity with respect to specific aspects of this bill which cause problems for us in supporting this legislation fully.

I ask the minister, who is sitting in the House, to please take a look at those areas of concern that we bring forward in our debate and try to clarify those for us. Let's deal squarely and head-on with the issues which will result in dramatic changes to legislation. We should deal with those in the Legislature. I think that is the direct way to deal with legislation which calls for fundamental change, which mandates the kind of change we will see in terms of the limits that are being set in this legislation; \$5,000 could quickly turn into \$10,000 and we would not have a significant debate in this House about that. I ask the minister to please look at that.

Mr Harnick: The intent of this amendment is to prevent the definition of "wages" being changed by way of regulation. I think that is a very important amendment and I am glad the minister is here. The amendment is significant in that the definition of "wages" is the determining factor of virtually every payment that has to be made out of the wage protection fund and certainly it is the substance of the bill. In terms of definitions, that is the most substantive part of the bill, so if the government wants to have any stability in dealing with this wage protection fund, it cannot permit the cabinet to go behind closed doors and on its own, without consultation, which is what it can do, go ahead and change the definition of "wages." They can do it by regulation.

The important aspect of this amendment is that it would force the government, if it did not want to consult—we know that there has been some difficulty with its definition of what consulting is. If they did not want to consult, at least they would be forced to bring a substantive change to the legislation back to the Legislature. If it is back before the Legislature, a bill has to be prepared and there is the opportunity for committee hearings so that the public can be heard, if the government chose not to consult in perhaps some more ameliorative way.

The idea of being able to change this legislation by regulation is a dangerous thing, particularly because we are not dealing with minor regulation; we are dealing with the pith and substance of the bill itself.

The other thing is that if they want to send the right message to the public, if they want to send the right message out to the small businessmen who employ the majority of the workforce, then they do not provide that they can change the bill behind closed doors. They provide that they are going to do everything in an open, democratic and obvious way, because by doing that, they do not evoke suspicion. They show that their intentions are the very best at all times and that it is in fact government without walls. We heard that from another government. This government has not made that statement. In effect, with legislation like this, it is a government with walls, because it does everything behind the closed door of the cabinet where nobody can see, where nobody can know.

This is not the only bill we have seen brought before the Legislature where significant and substantive elements can be changed by regulation. I do not see that the deletion of this particular clause, 65(1)(rb), would hurt the intent of this bill. The deletion of this section would show that this government is sending out a message to the community at large that it wants the input of the community, that it is not going to go behind closed doors, that it is not going to make changes in a hasty way, in a way in which the public does not have an opportunity to be consulted. I urge the minister to consider this amendment because it sends out the right signal without detracting from the bill in any way at all.

Mr Sola: I would like to carry on in the same vein, because the previous member just covered the topic I wanted to cover, that is, the message that is being sent out. For instance, who in his right mind could be opposed to worker protection? I think that is the reason members on all sides of the House in every party are here: to do the best they can for their constituents, which includes every level of society, from worker to small business to big business and professionals.

But at the same time they ask, "Who would be opposed to worker protection?" they have to ask the question, "Who wants to promote legislation that will produce more unemployed workers who will have to seek this protection?"

When they see the headlines in the papers from the business community, I think that is what they have to be afraid of with Bill 70, the fact that the business community sees it as an attack upon business, an attack upon the investment community and that through this attack the likelihood of investment in this province is minimized.

1610

I would like to take just one headline today, from the Toronto Sun, by Lee Lester. It says, "Coalition Fires Salvo at NDP." It is a 160-strong coalition of companies, most of them major companies but also smaller companies, and it has some very hard-hitting facts to put down. First, for instance, they say new labour laws "will put bureaucrats in charge of the workplace...and raise the cost of doing business in Ontario." Second, they say, "Business investment will be driven away to other provinces and border states."

This amendment which the member for Mississauga North has proposed, that any change to compensation levels should be dictated by legislation, may give business a little more confidence that its concerns will be heard. If there is an antagonistic element between the government and business, they know that at least the opposition parties then will be able to present some views that the business community wants to propose, whereas if it is through regulation, it can be done silently and they will be hit with perhaps retroactive measures that will hurt the business environment.

I am afraid that when I hear the opposition to the amendments proposed by our party, especially the previous amendment, which was turned down, where company directors should be given some leeway with regard to reasonable diligence before they become liable to these fines, I wonder. I would like to pose this question to the minister:

In these proposed government bail-outs, for example, the de Havilland case and some of these other companies, it would seem to me that if the government is proposing to put money into the private sector to save companies, by that very act it is saying that these directors are not completely responsible for the shape the companies are in; that it can be the downturn in the economy, it can be the world economy, it can be the recession, it can be political factors that are out of the control of the company directors. If the government is willing to put money into these companies, you would think it would be willing to give these company directors some sort of protection if they are considered to be conscientious people doing a job in the best interests both of the employees and of the employers.

My problem is that on most of the legislation the NDP has proposed so far, it seems to me it has taken a blinkered approach. It knows what it wants to accomplish and it stares straight ahead. It puts the blinkers on so that it does not see the dangers that are lurking at the side of the road. I think this legislation simply tries to remove the blinkers or cut a little hole in the blinkers so they get the idea that they had better not veer off the road too much because they will fall into a disaster.

From the reaction of the business community, I think this labour legislation, Bill 70, is seen by the business community to be trying to destroy the foundations upon which the economy of Ontario was built, that is, the private sector and the small-business community. It reminds me of an article I read in Saturday's Globe and Mail, I think, about the civil war in Yugoslavia, where the Yugoslav army claimed it had to destroy the port city of Dubrovnik because it had to protect it from the people who had built it, who had maintained it and who had protected it for 1,000 years. In this instance, to get back to the bill, Bill 70 seems to be trying to protect the economy of Ontario, the workers of Ontario, from the very people who have made the economy so strong in Ontario.

We realize that there are bad apples in every barrel. We realize that there are directors who are directly responsible for the sad shape of their companies and who are trying to renege on their responsibilities to their workers and their commitments. On the other hand, I think the vast majority of companies in Ontario do not have these types of directors and do not have a lack of concern for their workers.

I think by accepting at least some of the amendments that the opposition parties are proposing, a message could be sent that the government is willing to listen, that the government wants to remove the antagonistic approach to the business sector and that the business sector can regain confidence in the government and put some investment moneys into the economy in order to improve the situation, to turn our economy around and get our province back on its feet.

Mr Tilson: My comments will be very brief. They are mainly to support the member for Willowdale in his comments and our party's support of this amendment. I think the fear we have in our party is the fear of government by bureaucrats. The amendment, of course, is to stop the intent of the bill, which in section 16 indicates that whatever has been set out in section 40b defining what wages are,

whatever has been overlooked either now or in the future, can be simply prescribed by regulation at a later date.

Our concern with that, of course, is that this is the type of matter that should be dealt with in this House. To assign a matter as important as this to the bureaucrats, we cannot support. There is a fear of the unknown, the fear of the unknown of a later date expanding on the definition section of what wages are, the fear of the unknown which will perhaps be more detrimental to business, business already being afraid of this legislation, and this will create even more fear.

The government seems to be committed by this type of section to policies that will certainly dissuade investment in this province and entrepreneurs outside the province investing in this province. When they look at this province to look at the potential of investing in this province, they are concerned with the increased power that has been given to wages, and they ask a question in article after article, in newspaper after newspaper: "Is this type of legislation, which includes this type of amendment, the last straw in breaking the back of Ontario's entrepreneurs? Why would an entrepreneur or an investor invest in the province of Ontario?"

We cannot support a position being taken by the government on this bill to delegate the responsibility which we feel should be in this House as opposed to with the bureaucrats.

1620

Mr Harnick: I have just a couple of other thoughts on this particular amendment. We have had a raucous couple of days in this Legislature, and part of the reason is because the opposition has become frustrated at not being able to respond to announcements that the government is making outside of this Legislature.

The standing orders say that ministers may make statements in the Legislature, and it has become the traditional approach since these standing orders were amended to read that way that statements were made in the Legislature.

We have become increasingly frustrated over the past few days—and I see members of the government looking quizzically at me. I am getting to the point. They should give me a moment.

The Second Deputy Chair: I appreciate the point will be on the amendment to Bill 70.

Mr Harnick: Absolutely, Mr Chairman.

We have become increasingly frustrated about the fact that announcements are made outside of the Legislature day after day and we do not have a chance to respond and make a statement on the record about whether we like what the government is doing or whether we have some constructive criticism about what the government is doing.

Now we see in this act an attempt to amend a significant aspect of the wage protection fund and wage protection program by not bringing the amendment into this Legislature. We see a deliberate attempt to continue to make changes in the cabinet room by way of regulation, amendment to regulation and order in council, rather than bringing the amendments back into this Legislature.

Hon Mr Cooke: Because this place operates so efficiently.

Mr Harnick: Pardon?

Hon Mr Cooke: Just mumbling.

Mr Harnick: Can the member tell me what he said? The government House leader is making comments, but he is mumbling so I cannot respond to them, and it is probably just as well.

This amendment does nothing more than ask that the government please do its public business in this Legislature. They should not do it behind closed doors. The Premier today was quite eloquent in answering questions pertaining to the amendment of our procedures in this Legislature. He recognizes, having been in opposition himself for many years, and likely getting ready to come back to opposition after the next election, that there would be certain aspects of the rules that may be beneficial to change so that we as an opposition can be effective.

This particular section permits the government to carry on with public business not in this forum. That has become the style of this government. The style of this government is to hide, to avoid criticism—

[Applause]

Mr Harnick: My colleague the member for Markham is just coming back into the chamber. It was not a great cheer for my speech. It is interesting that he came in at this particular moment, because he left here this afternoon distressed and he left this chamber after making a pretty vocal speech. He was very justifiably distressed and frustrated, because he cannot respond to the minister to whom he has the responsibility to respond because she will not make her statements in this Legislature.

What is essentially happening with this amendment is we are asking the government to please perform the public aspect of business on the floor of this Legislature. They should let us comment upon it, let us make suggestions and let us have the opportunity to be constructive. They should not hide. They should not run away from us. They should bring the business to the floor of this Legislature, and that is what this amendment is intended to force the government to do.

I will repeat what I said before. It does not change the effect of the act. It shows there is an element of good faith in what the minister is trying to do. It shows the minister will bring this legislation back to this Legislature when he wants to change it; he will not do it behind closed doors. It shows the minister is being absolutely candid when he says he wants to consult with business.

As long as the government has a clause that reads the way clause 65(1)(rb) reads, it cannot possibly have the confidence of the small businessman. They cannot have the confidence of the public. They cannot have even the confidence of the employee, because they may do something detrimental to the employee and no one will know, no one will understand and no one will have the opportunity for open debate.

If the minister really wanted to prove he is being candid with business, that he is being candid with labour, that he is being candid in this Legislature and that he really

wants to consult, he would permit this amendment to be carried because it would by necessity ensure that his business in further amending this act and the definition of wages would take place on the floor of this Legislature.

Members can see that my frustration here is merely because the style of this government is to remove as much as it possibly can from this chamber. It is to remove our opportunity as an opposition to constructively criticize what this government is doing. The fact that they make all their announcements outside of this Legislature—and they have made a definite decision to do that—the fact that they have taken that course and the fact that piece after piece of legislation indicates that amendments can be made by regulation and order in council but not on the floor of this chamber are indicative of the style of this Premier and of this government.

They tell the people on the one hand, "We're open, we're accessible, we're listening to you, we want to consult and we want to have all of the interest groups at the table when legislation is drafted," and then they go ahead and operate in completely the opposite way. They operate by way of statements outside this Legislature. They operate by amendments, regulations and orders in council, I think this minister, who has the respect of his colleagues in this Legislature, can send out the right message by accepting this amendment, particularly because it does not change the effect of this act in any significant way at all.

Those are my remarks. I hope the minister will consider them and I hope this amendment is carried.

The Second Deputy Chair: I thank the honourable member for Willowdale for his participation. Further debate? The honourable member for Carleton.

Mr Sterling: Mr Chairman, I did not think you saw me there for a moment, or you were being very coy. At any rate, I just want to point out for the record that our member for Waterloo North and our critic for Labour also has tabled an amendment which is almost identical to the amendment we are discussing today, and that was done independently and without consultation with the other opposition party. That shows how serious the concern of my party is with regard to the wide range of power that this minister wants to scoop for the government to make new laws without consultation with this legislative chamber in the future.

Mr Chairman, when I look at you sitting in that chair, I think about the regulation power the previous Liberal government made with regard to Bill 8, in setting what was a francophone region within this province. They took that regulation power and put it in Bill 8, where behind closed doors the government can change the qualification as to what area is or is not a francophone area. People would come to my constituency office and say: "Where is this in Bill 8? I can't find the fact that if 10% of the residents of a region are francophone, or 5,000 francophones over all, then the area is deemed a francophone area for provincial purposes." I would try to explain to them that it is not in Bill 8, that a government has made this by regulation behind closed doors. Quite frankly, my constituents could not

understand how we in the Legislature passed a bill which allowed the government to make law behind closed doors.

That is exactly the argument we are having today on quite a different issue. What we are asking today is that the minister not scoop this power into his bag so that he can go behind closed doors, sit in cabinet, which is meeting in secret, as we all know, walk down to the Lieutenant Governor's office and have him sign a regulation that would increase compensation levels for one part of our society perhaps without consultation with the other part, the people who have to pay. That is what this debate is all about.

I want to indicate in particular that on this issue both opposition parties independently came to the same conclusion. Therefore, we will be showing our support for this amendment when the vote is called.

1630

Hon Mr Mackenzie: My comments will be extremely brief. I think there are three or four points I want to refer to. A couple of them, unfortunately, carry over from yesterday.

I think it was the member for Mississauga West who indicated that I had sent a note to the member for Mississauga North with his phone number listed on it. I want to make it clear that I sent no such note at all. It certainly was not any of my doing.

Also, the general theme was that I, the present minister, should be more willing to make amendments to this legislation. I want to tell the member that there were a substantial number of amendments made to this legislation. Maybe in terms of the way this House works, if we had let some of those amendments come in the course of the hearings from the opposition, it might have served more of a political purpose, as strange as that may sound. I do not know, but I think we responded to every major amendment and reached general agreement that the bill was now worthy of passage and certainly worthy of support by most of the members in the House. I think that is worth mentioning, that the call for, "Why won't you deal with or allow any amendments?" has been more than adequately dealt with in my own honest opinion.

There are an awful lot of people who in the course of the debate on this section, have raised the issue of how we are giving ourselves authority or permission to raise the \$5,000 ceiling. This amendment does nothing of the kind whatsoever. That is not the intent of it. At the moment, it deals only with the construction industry and the ability to be able to outline what is salary or salary benefits and the way their package is put together.

Mr Harnick: Definition of "wages."

Hon Mr Mackenzie: Definition of "wages" will have absolutely nothing to do with raising the level at all. The number of times we would have to be in this House in terms of different construction agreements by not doing it in regulations, I think, would make the bill extremely unworkable, and that is why we have gone this route. The Employment Standards Act contains about three pages already of issues that can be dealt with by regulation. This is just a faster and more efficient way of dealing with it. That

is why we made that decision and that is the decision we have on this issue.

Mr Offer: I do not want anyone to get the impression from the minister's statement that the government accepted one amendment from either of the opposition parties. I listened carefully to what the minister was stating, and the way the minister was stating it could lead one to come to the conclusion that there were some amendments put forward by the opposition parties that were accepted. In fact, the record will show that there was not one single amendment put forward by the opposition parties that was accepted.

Hon Mr Mackenzie: On a point of order, Mr Chair: I just want to make it clear I did not imply that whatsoever. I did say that maybe a better approach would have been to have let some of the amendments, which were all ones that were suggested by the other parties, come from them, instead of moving them ourselves, but we did move the amendments.

Mr Harnick: I listened with interest to what the minister said and I think the fact that amendments were already made is not an answer, or just the fact that there have been amendments does not justify not making more amendments if the situation calls for more amendments. The fact that the minister may have amended something three months ago does not make it a justification for not making further amendments now.

It just shows me the minister is not looking at the substance of the amendments being presented. He is merely saying: "We made all the amendments we wanted to make. We did it and therefore we don't have to make any more amendments." I do not find that a compelling answer, when there is a situation where an amendment is called for, where it is obvious that it is needed and is justified, and he says, "We're not going to make any more amendments because we've made all the amendments we need to make or we want to make."

The other thing I found a little bit curious—it indicates to me the way amendments can be made by way of regulation and order in council—is that the minister states it will be more efficient to be able to make these changes by way of order in council, but does that make it right? What "more efficient" means is that it is easier. He makes his little changes, he walks down the hall, the Lieutenant Governor signs the order in council and it is done. That is very efficient, very simple, but does that meet the needs of the people of Ontario? Does that give the people of Ontario the opportunity to discuss the changes and the opportunity to suggest better changes? Does it give the people any input whatsoever? The answer is no. The fact that it may be more efficient does not make it right. There has to be a better reason.

The Second Deputy Chair: Is it the pleasure of the House that the amendment to Bill 70 moved by Mr Offer carry?

All those in favour please say "aye."

All those opposed please say "nay."

This vote will be stacked with the other stacked votes and amendments to this motion.

Vote deferred.

Le vote est différé.

Mr Sterling: On a point of clarity, Mr Chairman: Who won that vote? Was it the ayes or the nays?

The Second Deputy Chair: The vote is stacked.

Mr Sterling: I was just wondering who won the preliminary vote.

The Second Deputy Chair: We have no preliminaries here.

Do we have further amendments to section 16 of Bill 70? I believe the Progressive Conservative Party has an identical amendment to the one that has just been stacked.

Mr Harnick: That is correct.

The Second Deputy Chair: You are not moving it?

Mr Harnick: No. We will withdraw that amendment and rely on the other one.

1640

The Second Deputy Chair: The Progressive Conservative Party has an amendment to section 17.

Mr Harnick moves that the bill as reprinted be amended by adding the following section:

"(17a) This act is repealed on the earlier of,

"(a) the 28th day of February, 1993; or

"(b) a day to be named by proclamation of the Lieutenant Governor."

Mr Harnick: I have spoken to legislative counsel. There was a typographical error. We have withdrawn our motion to amend section 16 of the bill, which would be identical to the previous amendment of the Liberals which affects clause 65(1)(rb). The next page of our amendments says "section 16a of the bill as reprinted." I have checked with legislative counsel. That should be "section 17a of the bill." In fact, that would go in at the very bottom of section 17, which is found on page 15 of the printed bill. Have I clarified where we are, Mr Chairman?

The Second Deputy Chair: Yes. This effectively is creating a new section to section 17?

Mr Harnick: Yes. I have spoken with legislative counsel and that was the intention when it was drafted.

Section/article 17:

The Second Deputy Chair: First, do we have further amendments to section 17 prior to the movement of a new section to 17? Shall section 17 stand as previously presented by the government prior to an addition?

An hon member: Agreed.

The Second Deputy Chair: Do we have further amendments to section 17? Shall section 17 carry?

Mr Sterling: Could we stand down the first part of section 17 for a few moments? I just wanted to check something out.

The Second Deputy Chair: Is it the pleasure of the House that we stand down the first part of section 17 until we discuss section 17a?

An hon member: Agreed.

Mr Harnick: This amendment is a sunset provision which would allow a full review of the program after the

first 18 months. This would ensure that workers who have been affected by the recession would be compensated for unpaid wages and vacation pay. Part (b) would allow the provincial government to dissolve the program when the federal employee wage claim program, Bill C-22, came into effect. This amendment will allow the province to protect workers today while not taking over a federal responsibility in the long term.

Mr Cousens: Part of the problem is we do not trust this government one bit. The experience I have had today is real proof of why we cannot trust the New Democratic socialist government in Ontario. If we give too much to this government to do what it wants to do—it got elected last September 6. Undoubtedly, they won 38% of the vote of the province and then had enough seats that they could fill the government side of the House and, therefore, run the province for four or five years. We will let them do what they want under the supervision of this House. If you think we can expect them to come back and report or review or have any kind of discussion on their legislation, the sense I have is that it just does not happen.

Part of the issue in this House for the past week has been the way in which ministers of the crown have gone out and made announcements elsewhere but have not had the decency—I call it decency, and if you do not think that is parliamentary I will find stronger words—the decency to come into the House and allow all of us to understand what is going on. The whole system here is one where they will go and do it outside the House, and the Legislature is not involved. That is why we want to have a review of this and other things that are being done by this government, so that on an ongoing basis we have a chance to review it, to criticize it.

If the government does something good and right, I am prepared to stand up and applaud it. I think all of us are. But if they are going to do something wrong, then face the music. Do not just expect that it is easy to run a government. It is not. We on this side of the House have the responsibility to be able to find that balance, and we are losing the balance in this Legislature right now.

I do not think there is any doubt that there is deep-seated anger. I have it. I do not like to have the kind of anger in my heart that I have toward the government and the way it is acting. It is the sense that this government has a cavalier attitude to the responsibilities we have in this House.

The responsibility we have is to criticize; it is to hold things up for public dialogue and discussion. Once it has gone through that dialogue and discussion, if there is some amendment or change that comes through, we are then able to go away with a better sense of having worked together to make it better. But that is not happening. That is not at all what is happening in this place. Instead, the opposite is now taking place, and what we are seeing now is that this government is unwilling even to try to work with other people who are elected here in this House.

I know, in speaking with my colleagues in the Ontario PC caucus, we have never felt more frustrated by the lack of simple dialogue. The Minister of the Environment yesterday made a speech on recycling which established new

guidelines for regulations but did not come into the House and make a statement yesterday, did not make a statement in the House today. In fact, my office phoned her office this morning asking for a copy of the press release of the remarks she made yesterday. I did not get them in my office until four o'clock today. I am the critic for Environment and I could not even get it.

Do they think we are going to sit around and accept that kind of pushing to one side when we have a responsibility to comment on these things? We just will not do it. They come along with legislation and say they want to have the absolute right to do everything they want because a bunch of patsies are sitting over here. I will tell you, there is not a patsy on this side of the House.

I think what they would have encountered up until recently is a willingness to try to work things through, but they are pushing us against the wall. Democracy is crumbling in the province because the New Democratic government does not regard it correctly. They should not think they can take us for granted. There happens to be 62% of the people of Ontario who did not vote for them, and that 62% has a voice and should be heard, but they are trying to take that voice away from us by everything they are doing.

If the member thinks it is funny, then just—

Interjection.

1650

Mr Cousens: Come on. He is not even in his own seat and he comes along and makes all those comments. That is exactly the kind of abuse they are giving the people of Ontario.

Mr White: You can be heard quite well.

Mr Cousens: I am a guy who is angry at the fact that my rights as a member of this Legislature have been abused by the New Democrats, who were self-righteous, indignant people during the years they sat in opposition. If anybody had treated the present House leader or the present Minister of the Environment or any one of them in the way we have been treated the last several weeks, they would have been up screaming. Well, I am screaming right now. I am screaming with a sense of anger that it is not right; it is wrong. It is a disease that has crept into the New Democrats within 13 months of their winning office.

Why do they not come along and understand there are ways in which we can work together in this House, ways in which we can work through amendments and changes to the law? When we came out it was really terrible. It was terrible the way the honourable Minister of Labour, who had more sanctity when he was in opposition than any of us could begin to hope for and learn, used to stand up with his indignation.

I will just tell them this much: We happen to have a lady, the member for Waterloo North, who was given the senior responsibility of being our Labour critic. She is a very careful, conscientious, concerned Canadian who wants to find the balance on issues and is not one who comes out and starts fighting until she really has the information.

What happened was that the minister came out with Bill 70. The member for Waterloo North came in and asked questions in the House a number of times to try to

get the minister to rethink his position. She was stonewalled by the Minister of Labour, who did not even give her the respect of an answer; 90% of the time she just got shoved aside and she got the palaver that he did not like when he would ask questions in the past when he was in opposition. When he would ask a question and get a dumb answer, like the ones he has been giving, he would be get into a rant and a rave.

Anyway, I give tremendous credit to our Labour critic for the way in which she has been able to persist and carry on. She is without a doubt one of the most able, hardworking, conscientious people we can ask for in our caucus. The strength she gives to labour issues out of that dispassionate concern is something magnificent.

What she really displays and what I see happening with the member for Willowdale and the other members of our caucus who are here today is that we are not going to give up our right as a responsible opposition to a New Democratic majority that has lost sight of its responsibilities. We are not going to give up for the other 62% who did not vote for the New Democrats. We are going to continue to fight for them in a responsible, meaningful way.

I look forward to finding something they have done that I can applaud. I will applaud their initiatives in transportation around the greater Toronto area. In fact, when Bill Wrye, the former Minister of Transportation, made those announcements in the first place, I stood up and applauded him. I would stand up again today and say, "At least we are beginning to get something done for the transportation infrastructure."

But when we come along and look at some of the other announcements coming out, I cannot stand up. I will not stand up and applaud. I will not stand up and give them the chance to think they have got my support. My job in responsible opposition is to help find the balance that meets the majority of all the people in Ontario. It is not going to happen, especially when we have got the kind of intransigence of the New Democratic Party in pushing through everything without giving that kind of balanced concern and opinion.

I have to thank the member for Willowdale for putting forward this motion. It just comes out of the fact that, as we come into this new stage of new legislation, we should have a chance to review it. Let's not just let it be implemented. Part of the problem is that there are powers that will go into the hands of the minister. The minister will have these powers and can then make changes by regulation that are not even on the table today. Those changes will happen. What does that mean? What is the impact on the Treasury of the province? That is not a question the New Democrats ask too often. They do not ask what the real cost is to the Treasury of the province.

The question that has to be asked is, are the people who need help being helped the way they should be? We on this side of the House are anxious to see that we find ways of assisting those who have financial problems and trouble when a company goes bankrupt. I do not think we have ever said we are not in support of finding meaningful ways of assisting those people who need help.

When we come back to review this within 18 months, we will then be in a position not only to review the regulations that have been changed by the minister, but to review the impact this new law has had on the people who needed help. Then the government can come back and say: "Look, here is our sense of what's going on. This is what the federal government is now doing and this is what we are able to do." Maybe there needs to be more training. Maybe there need to be other things. Maybe what this government needs to do is have a comprehensive review and understanding of what it is doing for those people who are unemployed.

As a member of the Legislature, the most difficult problem I have to deal with—aside from the divorce cases and the support and custody payments, which are really tough things in society that we have never dealt with properly yet, and aside from a few other ones I will not get into—has to do with the unemployed, the people who have lost their jobs, especially those who are talented and capable and want to work and are healthy. What are they then able to do, especially when the economy has declined to such an extent that there really is nothing they can do?

There they are, a young couple who wrote to me. I was going through the letter last night, examining it. Both husband and wife have lost their jobs. They are unable to maintain the payments for their taxes. They are not now able to make the payments on their mortgage. Their house is going up for sale; it is going to be a power of sale. They asked me, "Is there anything else that can be done?" I have to say, "What can I do?" I look forward to meeting with them. I am going to talk to them.

The Second Deputy Chair: I would like to remind the honourable member for Markham that we are addressing an amendment to Bill 70.

Mr Cousens: But this really ties into it, Mr Chairman. I do not want to go off on too many tangents. My concern is that here are two people who have issues and problems. This bill itself will not correct or resolve the kind of problems I am talking about. What we need is a more comprehensive review of the whole issue. The amendment we are talking about says, "Let's have a chance to look at it again on February 28, 1993." The kind of situation we are in right now does require that kind of review when you see the personal stories of anguish and suffering and the misery of this young couple who will lose their house. They have two adopted children. Both parents are unemployed.

Where is their pride? Where is their sense of self-respect? I just hope they never lose that, I hope they do not lose the hope that there is something out there for them and I hope we as a government do not ever get to the irresponsible stage that we cannot really try to find solutions to help out people who need our help. That is the kind of balance that should come out of the deliberation that would be made of this bill 18 months from now.

I do not think any bill should ever be brought in that is retroactive. Yet the benefit of retroactivity is that there are many people hurting, so if it helps them—the principle of retroactivity is something that is anathema. If there is any way in which we can deal with those people who are

affected, then maybe we should have a special bill that says, "Here are the ones for whom we are really trying to do something," instead of slipping it in the back door.

When we are dealing with people in Ontario, let's be open, honest and fair. The problem with this government is that I do not think it is open. I think the level of honesty that people have is such that the public at large distrusts politicians and feels that when they are in power they say a lot of words. Yet when it comes time to do something meaningful and constructive to help make a better world, the politicians have all the words before they are elected and then after they are in office it just does not happen the same way.

That has to do with the integrity of the individual or the government or the party. Quite candidly, that very integrity is called into question by virtue of the number of things that have been said by the New Democrats before they took power and now that they are in office. The public is sitting out there saying, "What can we expect?" All politicians get a bad name because of the way the New Democrats have been acting. That really is true.

Mr Mills: You've got to be kidding.

Mr Cousens: I am not kidding.

Interjection.

Mr Cousens: Oh, come on. The New Democrats are giving politicians a bad name.

1700

The Second Deputy Chair: The member for Markham is straying quite a long way away from the amendments to Bill 70.

Mr Cousens: I realize that, but when they start interrupting me the way they do, I think it is only right to rebut.

I believe this bill has problems. We will see the problems better after we have had a chance to see the bill in force for a while. Let's have the chance of coming back in this House. Maybe this group of elected members, the New Democrats, will still be in power 18 months from now, unless they miss a quorum call or they miss a vote some day. When that happens we will be here in force and vote them down on a confidence level. I tell members, I will be here that day.

In the meantime, we are not going to have a chance. The people of Ontario are stuck with the Minister of Labour and the New Democrats, who can do what they want, but we are not going to give them the chance to do everything they want without at least a strong statement indicating where we stand on issues. A strong, honest statement is something that is needed on all the issues in this House, where they can be aired, where they can be considered, and where we in the fairness of this House are able to deal with them.

I have to say, in closing, that the lack of trust we have in the New Democrats to share anything with the opposition is at the extreme worst level I have ever seen it in 10 years in this House.

Interjection.

Mr Cousens: The member disagrees. Well, I have never seen anything before like the Minister of the Envi-

ronment going out and making a speech and then missing two occasions, yesterday and today, to make a statement in the House. She had a chance to send a copy of her speech or her remarks or her press statement to my office and did not even have the courtesy to do that. Maybe it was not herself; maybe it is her handlers. But it is indicative of a government that has lost the sense of fair play within this arena of the Ontario Legislature.

What we have to do is to fight for our rights when we are in opposition. We do not have any given to us by the New Democrats. We have to fight for what we believe in. In doing so, we are fighting for the people of Ontario to have a fair hearing, an honest hearing and an open and complete understanding of the issues that are before us. We are not even able to have that on other issues. We say we want that opportunity on this, Bill 70.

Mr Harnick: It is interesting. I saw the last amendment we dealt with as an opportunity for the government to consult with the people rather than take its amendments and do them through the back door by way of order in council and avoid the Legislature. So I could say, at the conclusion of the debate on that amendment, that this government does not want to consult; it does not want to do its public business on the floor of the Legislature.

Now we have a new amendment before us. The hallmark, as I see this amendment, is the word "accountability," so that after 18 months of seeing a program operate, it can come back to the Legislature and people can see and the government will stand here and account for whether that program worked, whether people received the payments they were supposed to receive, whether the payments were adequate and whether the program is working. I do not see anything wrong with the government publicly accounting for its programs, especially on the floor of this Legislature.

I have a great deal of difficulty justifying in my constituency what goes on in this place. My constituents are people who live in an urban area. They see costs escalating. They see that their jobs are not as secure now as they were before September 6, 1990. They are concerned about their security in their neighbourhood. They are concerned about government programs that do not punish criminals. They are concerned about a lack of deterrents. They are concerned about a government that pays out all kinds of money—some of it, I will admit, very justifiably and for very good reasons.

But my constituents say to me, "Boy, we see \$250 million about to go to de Havilland and we see \$200 million going to Elliot Lake and we see all this money going to Kapuskasing. Is there no accountability? Why can these payments be made, and why does nobody want to account a year down the road?"

That is what is important about this amendment. This amendment is all about accountability. It is about reassessing where this program has gone in the first 18 months of its operation. The fact that the government does not want to account makes my constituents very nervous, because my constituents pay taxes, and every time they turn around they see the taxes—

Mr Perruzza: Don't be so sure.

Mr Harnick: The member for Downsview says he is not so sure that my constituents pay taxes. I would just like to point out to my constituents that there is a member of the Legislature who represents another section of North York and who claims that my constituents do not pay taxes.

I can tell him that my constituents do pay taxes and they work very hard for the money they earn in order to pay those taxes. My constituents are concerned about paying increased taxes for the waste of this government, the member for Downsview's government.

When he stands in the Legislature and shouts across to me that he doubts my constituents pay taxes, I can tell him that when my constituents hear that coming from a New Democrat, and given that I have the opportunity to tell them what he said, he can count on the fact that a New Democrat will not be winning my riding next time. They do pay taxes. If the NDP attitude towards my constituents is that they do not, they have another think coming, because they are going to go out in the next election and they are going to campaign to try to beat him too. The member is not going to be here, because he said they do not pay taxes.

Let me tell him that my constituents are hardworking people and they do pay taxes. They do worry about the waste of his government and the moneys that are going out and the fact that he refuses, by his minister here today, to be accountable to my constituents.

His constituents may not care and he may not care and his friend sitting beside him with the big smile on his face may not care, but the people in Willowdale and the people on this side of the Legislature care about the taxes and about the waste, because they work hard for their money.

Mr White: On a point of order, Mr Chairman: The member has digressed rather markedly from the issue of the amendment put forth and has hurled particular invective—

The Second Deputy Chair: Thank you for reminding the Chair. I was about to bring the member back to the subject at hand. I know there were interjections coming from across the floor. That is also out of order. Please, let's get back to the business of the House, the amendments to Bill 70, and let's continue with the debate.

1710

Mr Harnick: It is of interest that I am trying to debate this issue in a rational way, and we have not had a single person on that side of the Legislature, save for the minister, get up and add anything to this debate today. It is because most of them have not read the act and they are just going to do what they are told. They have not read this material. They do not understand this material. They have not listened to the witnesses who came to the committee room. All they want to do is get this done and get out of here.

If they really want just to get it done and get out of here, you would think they would have the smarts to keep their mouths shut, but they keep interjecting. As long as they are going to interject, I am going to go ahead and

respond to those interjections, because that is the only way you can have a debate with these people.

They sit on their behinds and they shout across the floor of the Legislature, but when the Chairman asks, "Is there anybody who wants to debate this further?" they all sit there. They all sit there with their hands in their pockets, because the only way they know how to debate is to shout across the floor. The only way they know how to vote in this chamber is by being told, "You stand up when the minister stands up."

My constituents do not think that is good enough, and they want accountability. That is what this amendment is directed at. My constituents see money being spent on this wage protection program and perhaps \$50 million that will ultimately be tied up in this act. They also see that the Ministry of Labour is going to increase its bureaucracy by adding 131 people to administer this program.

We all know what happened when the Liberals went ahead and started to expand the landlord and tenant registry, and we see the amount of money being spent annually on that program. This program is going the same way, and my constituents want accountability. They want to know how many people are being hired, what they are doing, how much we are paying them, why we are paying them that money and whether we are getting value for our money. Eighteen months from now, are we going to be able to find out whether this program is working? We are paying taxes that are funding those salaries and that program and we would like to know whether it is working.

We have an amendment on the floor that says, "Account after 18 months." My constituents are a little upset. Every time they go to the gas station there is another tax on gasoline and they have to pay more. Every time they get an electricity bill it is higher than the month before. They keep finding out there are increases in these basic utilities they are paying for, and that there is going to be a \$9.7-billion deficit in this province, and they ask: "Who's going to pay that? Am I going to be responsible for paying that money?"

The Treasurer says he is not going to raise taxes, yet revenue levels are flat. My constituents call me and say: "What's going on? Are we going to have to pay more taxes? We can't pay more taxes. We don't have any more money to pay any more taxes." They want accountability. They are worried. My constituents are not like the constituents of the people on the other side of the floor. My constituents are worried because their jobs are not as secure as they were before September 6, and because there is a \$9.7-billion deficit they are worried whether their taxes are going to have to pay that deficit back.

They are worried about watching big payments come out of this government that claims it is broke, yet it is about to invest in de Havilland and has saved a couple of towns. Those are perhaps very worthy things; I do not deny that. In many respects maybe the government paid too much, but the intent was there and the intent was proper.

All my constituents want is accountability. They want this government to be able to account to them so that when they go to work every day and make a living, when they

work hard and their money goes to pay for these programs, they want to know whether these programs are working, whether they are wasteful, whether they are costing more than they should, whether they are effective, whether they are getting to the people who really need the help or whether they are universal programs and the money is going to people who do not need the help.

These are all the things my constituents in a big urban riding are concerned about. They are concerned about whether their cost of living is increasing beyond their means and, as I said earlier, about a \$9.7-billion deficit.

When I stand here and implore the government to pass an amendment that will cause it to account to this Legislature, I resent very much that there are people here who allege that my constituents do not pay taxes and who really do not care about the concept of accountability. In this amendment and the amendment before it, what we have been stressing is the idea of being open, of consulting and being accountable. If there is any hallmark of a government today, it is the idea of being open, consulting with the public and developing programs for which it is accountable in this Legislature, not making statements everywhere but in this Legislature.

I urge the government again, and the minister, to do the proper thing and accept an amendment by which it would be accountable and by which the public would have its confidence. If it does not, the public will only recognize the bumbling it sees going on in this government day after day. Together with that bumbling, people are going to see a government with no heart, with no ability and with no accountability.

If the government cannot do the job technically correctly, at least it can show it is trying to do it ethically and morally correctly with accountability, with consultation and by not being a government with walls. The House leader is nodding his head as if I am committing heresy here, but these are people who, prior to September 6, told everybody how compassionate, open and approachable they were and how competent they would be. They told everybody about the simple answers they had to all the big problems.

In the last year we have seen that they do not have the answers to complicated problems and no longer profess to be accountable. They no longer come to this Legislature to do their business; they hide in corridors of other buildings and make announcements. They operate from locked offices.

I look at these amendments and I say they are reasonable. Any government that wants to do the right thing for the people it represents—and I remind the government it no longer represents just the 38% who voted for it; it represents all the people in Ontario and has to be accountable to all of them—when it votes against an amendment that asks it to be accountable, then it is kicking the people in this province in the behind because it does not want to level with them.

I urge the government to accept this amendment, to be accountable, even though it has rejected the previous amendment that asks it to do its business in a public chamber rather than in private, and to consult with people. The

government has rejected that, but on this score government members still have an opportunity to come out looking like a relatively decent bunch of people who want to be at least accountable, even though they do not want to consult in advance.

This amendment is reasonable. I urge them to look at themselves again and recognize that the people in Ontario want accountability. They want them to come back here in 18 months and tell them whether the money they have just spent to pay for this program has been money well spent.

Mr Perruzza: Thank you for the opportunity to make a couple of comments on the bill that is on the floor and to respond very briefly to some of the comments that were made by my friend the member for Willowdale. He took a comment which I made, "Don't be so sure," and expanded on that. He inferred from it that fundamentally I believe people in his constituency do not pay taxes. That is the furthest thing from the truth. Everybody pays for the GST of the Conservatives.

I remind the member for Willowdale that some time ago in his constituency the municipality forgave developers to the tune of about \$25 million and gave back that money which could have been applied to the municipal budget and offset taxes considerably. Those developers did not pay a tax.

Another developer recently was forgiven \$3 million in interest payments to the city, again taxes from his constituency which could have been used. If he were the champion of the good people of Willowdale who pay their taxes, he would come into this House and raise those issues and make those people pay their fair share of taxes, which they do not pay. There are a lot of good people in Willowdale who pay their fair share. There are a lot of people who are being given breaks in the city of North York. He often breaks some lobster with the mayor of that city, and that is why he does not come into this chamber and champion those causes.

1720

Mr Harnick: I would just like to point out to the member for Downsview—

Mr Sterling: Get a claw.

Mr Harnick: Yes, he should get a claw on life because I would like him to go and ask the mayor and debate with the mayor over the issue of who pays and who does not pay taxes. I want the public who are watching to understand this, that taxes are not set by the opposition; they are set by the government and taxes in North York are set by the government in North York. The member for Downsview knows that.

The Second Deputy Chair: The honourable member for Willowdale should really come back to the subject matter.

Mr Harnick: If the member for Downsview had any gumption about this issue he would talk about whether the government will be accountable to the people of Willowdale. He will talk about this amendment, which he did not do. We have yet to see one person on the government side stand and talk about these amendments and talk about this bill.

The member for Downsview still thinks he is a member of city council in North York, where he rode off in a blaze of glory, breaching all kinds of edicts that were part and parcel of his job in the city of North York. I do not want to get into that, but I suspect that if he wanted to deal with this issue, he could talk about whether his government wants to be accountable, not who does and does not pay their taxes in Willowdale. Certainly my constituents will remember—

Mrs Caplan: On a point of order, Mr Chair: I have been listening very carefully to the debate over the last few minutes and I just noticed that a group of Scouts have arrived and are in the members' gallery watching the proceedings. I know the members of this House would want them to get a very good impression of the debate and the level of debate in this House, so I would draw your attention to the fact—this a legitimate point of order—that the members have not been speaking to the amendment before us. I would ask you to point that out to them.

The Second Deputy Chair: I want to thank the honourable member for Oriole. It is an excellent point of information that we have a band of young people with us this afternoon. I know it is Thursday afternoon and members are anxious to get back to their ridings. They are on edge to some degree and it is somehow difficult to stay on the subject matter, but I ask that you please stay on the subject matter. It is of utter importance, and they are amendments to Bill 70.

Mr Harnick: I regret the fact that the member for Downsview tried to get into this debate. This debate to him is about whether people in Willowdale do or do not pay their taxes. Bill 70 is not about whether people in Willowdale pay their taxes. I regret that he did not want to stand and debate this issue of whether Bill 70 is a good bill, whether the government should be accountable 18 months from now. I regret the fact that neither he nor a single other member of his party would stand and debate this bill and this amendment today. But I have made my remarks; I have probably gone on for too long, so those are my remarks.

Mr Perruzza: On a point of order, Mr Chair: If the member will check the record he will find that I have participated in the debate on this bill. I participated in this very House. If he would check the record, he would find out.

The Second Deputy Chair: Thank you. That is not a point of order; it is a point of view.

Mrs Marland: I rise to support this amendment because I have such difficulty with the legislation. I think that if this is such a good piece of legislation for the people of this province, this government would not have any difficulty with our amendment. Our amendment simply says that in February 1993 the act would be repealed. If the process has been working and the people who need to be protected are protected, then there would be no further need for this type of legislation.

It is so incredible that these people in this socialist government who cry out all the time for the protection of workers and the protection of jobs forget that there will not

be any workers, that there will not be any jobs if we do not protect the businesses, the commerce and the industry which provide that opportunity for them. The people they criticize are the very people who give employment opportunities in this province.

If we are going to go ahead with this kind of legislation, where this government is so nervous of our amendment for February 1993, it must be because it already realizes it could not afford to have it repealed in February 1993 because it is quite possible that in that year it will be into an election and will be out of office. I see very clearly the significance of their opposition to the amendment our caucus is presenting today. It is no wonder that everybody who knows what is going on with this legislation in this province is as concerned about it as they are.

Mr Offer: I want to make some very brief comments on this amendment. I think, if my notes are correct, this is probably the final amendment.

Interjection.

Mr Offer: I am sorry; there is one more amendment. I listened very closely to the comments by the member for Willowdale and I think the member's comments in terms of accountability and making certain that any changes to the legislation in the future are brought before this House in debate, and all those things that follow, are all very important. We have spoken about this at some length in the past. I am very concerned that the government has not seen fit to change some of the aspects of this legislation to make any further change by legislative process as opposed to regulation.

We are not talking about slight changes. We are not talking about technical changes. We are talking about changes to the heart and soul of the legislation that in fact address the principle of the legislation. I believe that when we are talking about those aspects of any piece of legislation, any change should be through the legislative process. I think all members of the Legislature recognize that there is the need for regulation, for a government to be able to change certain aspects of any piece of legislation by regulation without having to go through the legislative process, but not when we are talking about the heart and soul of a piece of legislation. That is what we are doing today.

We are really closing the door to future consultation, listening to people, listening about what the impact of change will be. It is one of those things that is causing me some incredible concern about a piece of legislation the principle of which I wholeheartedly agree with.

As I listened closely to the member's comments on accountability I can only say that I wholeheartedly agreed. I am quite upset over some of the interjections by members on the government side, because I think they were totally uncalled for. They were well away from the aspect of the bill and the amendment. The member himself was really zeroing in on something that we in the committee had really been focusing on for these last number of days.

The concern I have with the amendment is that it talks not to the accountability aspect of the legislation, but it really talks about the repeal of the legislation. I think we have to recognize that we are dealing with a bill that I do

not think we want phrased as a recession bill, a bill which was potentially born in the recession and will end when economic times hopefully improve. I think we recognize that even in good times there are bankruptcies, there are insolvencies, there is inability to pay, there are people and workers who many times are caught from really getting the benefits that are owed to them either in terms of wages and vacation pay or under the Employment Standards Act in terms of termination and severance. That is some of the concern I have with the amendment.

1730

I have absolutely no concern with the argument put forward by the honourable member because I think it was bang on. The problem I have is that it makes the bill one that is framed within the recession, to live and die within it. I think in some way it excludes the fact that there are people who are hurt and who are out dollars even in good times, and they are hurt just as badly. They may be able to access a job a little more quickly than in bad times; none the less they are out dollars and out benefits which in fact they are entitled to.

We have spoken earlier about the whole issue of severance and wage and whether it should be included in the bill. We have had some good debate on that. We have spoken about wages and vacation pay. I think even during our committee meetings, the business groups that came before us recognized an obligation and a responsibility to meet those benefits where possible. They recognize their obligation under the Ontario Business Corporations Act and they recognize the fact that those particular benefits are owed to those workers.

That is one of the concerns I have with the amendment. The amendment really does not deal with accountability. I think if the government had seen fit, it would have moved some of the changes to legislation. That would have allowed us, as members of this Legislature, to do what in fact we were elected to do, to be in many ways the watchdog, the eyes and ears of our community, to deal with impacts of any changes to legislation.

The government, by not agreeing to those amendments, has really closed the door to this Legislature in terms of this bill. It is going to cause a lot of members of this Legislature, and I believe probably on their own side, some concern over why they would not do that, why they did not have the faith, trust and hope in the bill to allow it to go before a committee, to allow it to be debated in terms of any change to its principle, to its reason for being.

We have had those discussions and we have had that argument in the past, and I stand here still with some very grave concerns about why the government would not do that. I think it sends out a very grave message to business communities. I think it sends out a bad message to the public in general that the government is not ready to listen. We are talking about one particular piece of legislation, but the message is one that transcends all pieces of legislation and all initiatives in the future. It is something I think the government is going to have to listen to and live with.

Certainly in terms of this amendment I have a concern that it makes this bill a recession bill and it really ignores the fact that people, men and women in our communities,

hardworking individuals all, are sometimes out some benefits that are earned, some wages, some vacation pay, some termination, some severance. I think if it is possible for us to achieve those types of benefits in a well-balanced bill, in a bill which can provide that type of protection while at the same time sending out a positive message to business that this is a province where you can create jobs, where you can expand, where you can really have an option for more jobs and a real opportunity for success, then we should do that.

I am concerned that the government has not seen fit to address some of those amendments which both the Liberal caucus and the Progressive Conservative caucus has brought forward in committee and in this Legislature, and we are going to have consider that as we go through our second reading and third reading debates.

Mrs Caplan: I will be very brief in my comments. I would like to begin by saying I think this is a very significant and important piece of legislation. When it was tabled in this Legislature, I think the principles that were enshrined in this package not only were supportable but were principles that many of us in this House not only agree with but believe in. Legislation begins with principles, and that is why during second reading debate and discussion the vote is ultimately a vote in principle.

The bill was very seriously flawed. At that time it had provisions obligating directors of both private and non-profit corporations that seriously flawed this bill, and I think in proposing amendments to this the minister went quite some way towards addressing those concerns. However, what we have seen over the course of both the committee hearings and debate in this Legislature is that there are still some provisions in the bill which are considered serious flaws.

I want to compliment our critic, the member for Mississauga North. He has expressed many of the concerns I have about this bill, the principles of which I support. I believe there are men and women, working people in this province who, having earned their wages and their benefits, are then denied those when a company goes under in these very difficult economic times. That has happened in the past and it will happen in the future, as the member for Mississauga North so well pointed out.

But there are two major flaws to this bill and real concerns that I have. I will just put them on the record and ask the government to reconsider its approach to some of the amendments that had been proposed by both the Liberal caucus and the Conservative caucus.

I urge them to consider that in the context that my constituents, when we have discussed this matter, have said, "Why don't you offer some changes and some ideas and suggestions to help?" We know the government is inexperienced, we know there are just a few pieces of legislation that have been brought before us, so I have said to them that ideas and suggestions and alternatives are offered through the amendment process, that amendments were suggested at committee and those amendments were rejected. I said there would be another opportunity during committee of the whole House for those amendments to be placed and debated in the Legislature, and that during that

time I would stand up and speak to the principle of the bill but encourage the government to accept those amendments which would allow for a balanced bill.

I have two significant concerns. First is the funding of the wage protection fund and the kind of insecurity and instability that would signal to the business community, already hard-pressed at this time of not knowing how that fund is going to be financed, whether it will be a new tax on business or a reallocation.

How the Treasurer intends to fund this provision is sending out the kinds of signals to people in the business community which in fact are forcing them to delay making some decisions, which are encouraging them not to come to Ontario to invest because they do not know what the taxation climate is going to be like. They have no security. They have no confidence in this new government. If there were a commitment from this government that said how this fund was going to be funded, how this wage protection fund was going to be financed, then the business community would know that it could count on not having additional taxes placed on it to pay for this.

The second point is the limit. As members have heard the member for Mississauga North so eloquently put it, the concern is that by being able to change the limit by regulation, what the government is saying to business is: "You cannot have confidence in what is going to happen. We can arbitrarily, by regulation, change the fundamental principles of this bill and change the limit without having to be accountable to the Legislature, without having that debate."

Those two provisions tilt the balance in this bill in such a way that it creates the kinds of flaws that make it very difficult to explain to the business community that it need not have fear.

As I said, we will soon be reaching the point where we will be in third reading discussion. I hope the government will take into consideration the amendments that are placed by the opposition parties at this point in time and will support some of them so that we have a bill that is balanced and that will also send the right signals to committee.

I want to state that I support wholeheartedly the principles of this bill. I hope it will be sufficiently amended to achieve the kind of balance that it will be able to be explained to my constituents in the riding of Oriole, who, as I do, share the concern about the economic future of this province as well as ensuring that men and women who have earned their salaries, their wages and their benefits are not denied those because of the economic difficulties their employers have experienced.

1740

Hon Mr Mackenzie: We had an agreement that this legislation, other than the vote, would be through tonight. In the interest of that, I am not going to respond at this point in time.

The Second Deputy Chair: All those in favour of Mr Harnick's amendment to section 17 will please say "aye."

All those opposed will please say "nay."

In my opinion the nays have it.

Vote deferred.

The Second Deputy Chair: We revert back to sections 1 to 4. We will have some sections that do not have amendments.

Mr Sterling: Perhaps we could deal with the first part of section 17 at this time.

The Second Deputy Chair: We will revert back to the first part of section 17.

Mr Sterling moves that subsection 17(4) of the bill, as reprinted, be amended by striking out "\$5,000" in the third line and substituting "\$4,000."

Mr Sterling: I want to be as quick and brief as I can in terms of my explanation on this.

Mr Hope: Short.

Mr Sterling: Short. I never use that word. When I first saw this amendment, which was suggested by our Labour critic, I thought: "That doesn't make sense. If we're going to protect the wages of people, we should protect them properly, in accordance with the best we can do." The \$5,000 did not seem to be that unreasonable when looking at \$4,000. But on researching the matter further, I find that under section 17, the definitions of what would be paid to a worker could include four different things. They could include wages, vacation pay, severance pay and termination pay. Termination pay differs from severance pay in that a termination payment is paid when notice is not given to the employee. It is in lieu of notice, whereas severance pay is paid when somebody is given proper notice.

It is our position in this caucus that the limits on these amounts should be in accordance with other statutes and provisions in other acts. It is my understanding that the liability of a director for wages and vacation pay is at a \$4,000 level at this present time. Therefore, we think that one should marry with the other so that there should not be two different sets of figures in terms of liability.

I am informed that if the wage protection fund eventually comes out of the pocketbooks of our businesses, what will happen is we will in effect be taxing our small businesses to reimburse the unemployment insurance fund. The minister has refused to answer the question directly that the unemployment insurance fund has said it will claw back part of the payment that is made by the wage protection program to the worker because some of the benefits that will be paid to the worker under this section will be deemed income by the UIC.

Therefore, it seems more reasonable to us to have a reasonable upper limit, so that the bleeding in terms of the amount that will have to be refunded to the UIC, payment which UIC will pay the worker and then the worker will be asked to pay back, would be stopped at a level of \$4,000. What we are saying to the Labour minister is that this amendment would not affect the amount of money the worker would get as a result of termination or severance, but it would save the wage protection fund from having to be as high as it might have to be, because the money would be coming from UIC instead of the wage protection fund.

It is a fairly complicated argument and it is a fairly complicated concept, but the fact of the matter is that UIC has told us that it deems, I believe, severance and termination pay as income and therefore will be demanding it back from workers after they have received it from the wage protection fund. In effect, what the minister is doing is asking the taxpayers of Ontario to help out Ottawa with regard to the UIC fund. I would like the minister to comment on that with regard to how he plans to protect the workers from UIC demanding this money back from them.

Hon Mr Mackenzie: I have maybe a partial reply. First off, I want to point out that what we are talking about is money that has already been earned, that is owed to the workers. I want to point out also that the average at the moment is \$4,200, which means that slightly half are getting less and half are getting more. What we were trying to do was to maximize as much as we could what is owed to the workers.

In terms of the UIC arrangements, we have been having and are having ongoing discussions with them on this issue. I cannot tell the member as yet what we are going to be able to resolve in terms of a payback, and I do not have an answer for him on that. We felt that \$5,000 was a serious effort without getting beyond our financial means, which may always be an argument, to deal with a majority of the workers who have actually earned the money and are owed it.

Mr Sterling: No one argues that the money is owed to the worker. I do not think anyone is arguing on this side that the worker should not receive that money. Our concern is, where is that money coming from? The wage protection fund, as I understand it, has nothing to do with the company that can afford to pay that money; it will be paid by that viable company to the worker to pay. It is from the wage protection fund, which is funded by the taxpayers or the employers, which is our concern. If the minister is going to pay a worker \$5,000, and \$2,500 is going to be clawed back to the UIC fund, then in effect what the minister has done is he has transferred \$2,500 to our federal government. I find it ironic that he is taking this kind of step when we hear so much complaining about transfer payments.

Then the minister admits that severance and termination pay are deemed income and that they will be stripped from the workers, from their UIC benefits, under the present law and the present arrangement. Is that correct?

1750

The Second Deputy Chair: Further debate on section 17?

Mr Sterling: I asked the minister a question. Surely a minister of the crown should know the answer to the question about whether UIC is going to ask the workers for this money back. I will continue to ask him the question until I receive an answer.

Hon Mr Mackenzie: We are in the process of negotiating that very matter. I cannot give an answer beyond that at this time.

Mr Sterling: If the minister is negotiating the matter, then his opinion must be that UIC can do this, it can demand that money back. Is that correct?

Hon Mr Mackenzie: Reducing the ceiling will not do anything about the amount that would have to be paid back.

Mr Sterling: It would very much do that, because there would be less to strip back from the worker. I see a nod from his adviser that I am correct, and I am not talking about the member for Sudbury. I will not tell members which adviser nodded.

Mr Chairman, I have asked the minister: Am I correct in saying that severance pay and termination pay are deemed income in terms of our Unemployment Insurance Act and therefore would be stripped from the worker at the present time under our present laws?

Hon Mr Mackenzie: Yes, they are determined as wages, but if you receive the payment, it will delay the time at which you will receive the unemployment insurance by several weeks or months.

Mr Sterling: In other words, the method of stripping back from the worker the money that will be paid in the wage protection fund will be from the UIC fund. In other words, we are talking about a transfer of provincial tax revenues to the federal government under the present law.

If we had the \$4,000 limit, as I mentioned, we would have put a lower ceiling on the amount of bleeding that is done from the provincial Treasury. I say to the minister, we get many demands on this side about how we can cut the deficit down. This is a way the government can cut its future deficit down, if it supports this amendment.

The Second Deputy Chair: Is it the pleasure of the House that Mr Sterling's amendment to section 17 carry?

All those in favour will please say "aye."

All those opposed will please say "nay."

In my opinions the nays have it.

Vote deferred.

Sections 18 and 19 agreed to.

Les articles 18 et 19 sont adoptés.

Sections 1 to 4/articles 1 à 4:

The Second Deputy Chair: We now move back to sections 1, 2, 3 and 4, which were stood down. Do we have opening statements on section 1?

Mr Harnick: I understand why we are dealing with these four sections at the end of the proceeding in committee of the whole. These are the somewhat hidden sections, even though they come right up front, because they deal with an aspect of this bill that appears to use the Employment Standards Act and the concept of a wage protection program, but the sections in effect are much more encompassing amendments to the Employment Standards Act.

The first thing we are introduced to in dealing with this act is the amendment in subsection 1(2) which states as follows:

"Section 2 of the act, as amended by the Statutes of Ontario, 1983, chapter 55, section 1, is further amended by adding the following subsection."

That subsection to be added is known as subsection (4) and it states:

"Part I of the Statutory Powers Procedure Act does not apply to the exercise of any power conferred on the program administrator under part XII-A or to the exercise of any power by the director under section 50."

I am quite concerned that this section provides that there is not going to be a hearing if there is a dispute that relates to sections 1, 2, 3 and 4 of the act as presented in Bill 70. We will obviously have considerably more time in our next session to deal with these amendments, but that is initially my first concern. That is the red flag that alerts us to what sections 1, 2, 3 and 4 really contain.

The Second Deputy Chair: I want to thank the honourable member for Willowdale for his participation on section 1 of Bill 70. Further debate on section 1 of Bill 70?

Mr Offer: Briefly on this and the other sections, I think we have to recognize that one of the things that was always implied was that this particular bill was a bill that was as a result of the recession. It was going to help the people who are the victims of the recession to recover wages, vacation pay, termination and severance.

These particular sections, 1 to 4, of the bill clearly indicate that the principle is much wider than that. The principle of this bill will not only help those workers but indeed is broader in that any workers for whom there was an order under the Employment Standards Act which their employer has not paid will be able to access the fund, even though they still have a job, even though they are still working and have always worked.

I think we have to be very cognizant of the fact that the principle of this bill is much wider than what had initially been indicated as far as we are concerned, and is one which I think is the subject matter of some future debate.

The Second Deputy Chair: Shall sections 1, 2, 3 and 4 of the bill carry?

All those in favour will please say "aye."

All those opposed will please say "nay."

In my opinion the nays have it.

Votes deferred.

Les votes sont différés.

On motion by Mr Cooke, the committee of the whole reported progress.

À la suite d'une motion présentée par M. Cooke, l'étude du projet de loi en comité plénier de la Chambre est adjournée.

BUSINESS OF THE HOUSE

Hon Mr Cooke: Pursuant to standing order 53, I would like to indicate the business of the House for next week.

On Tuesday, October 15, we will deal with third reading of Bill 70, the Employment Standards Amendment Act, following the votes in committee of the whole that have been stacked by agreement.

On Wednesday, October 16, we will continue the adjourned second reading debate on Bill 118, the Power Corporation Amendment Act.

On Thursday, October 17, in the morning we will deal with private members' business: ballot item 37 standing in the name of the member for Scarborough East and ballot item 38 standing in the name of the member for Mississauga East. In the afternoon, we will continue second reading of Bill 118.

The House adjourned at 1801.

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Fletcher, Derek (Guelph ND) PA to Minister of Consumer and Commercial Relations/Ap du ministre de la Consommation et du Commerce

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Grandmaitre, Bernard C. (Ottawa East/-Est L)

Grier, Hon/L'hon Ruth A. (Etobicoke-Lakeshore ND)
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Hope, Randy R. (Chatham-Kent ND) PA to Minister of Community and Social Services/Ap du ministre des Services sociaux et communautaires

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Johnson, Paul R. (Prince Edward-Lennox-South Hastings/Prince-Edward-Lennox-Hastings-Sud ND) PA to Minister of Revenue/Ap du ministre du Revenu

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Klopp, Paul (Huron ND) PA to Minister of Agriculture and Food (food)/Ap du ministre de l'Agriculture et de l'Alimentation (alimentation)

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Kwinter, Monte (Wilson Heights L)

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Laughren, Hon/L'hon Floyd (Nickel Belt ND) Deputy Premier, Treasurer of Ontario and Minister of Economics/Vice-premier ministre, Trésorier de l'Ontario et ministre de l'Économie

Lessard, Wayne (Windsor-Walkerville ND) PA to Minister of Colleges and Universities/Ap du ministre des Collèges et Universités

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Mammoliti, George (Yorkview ND) PA to minister responsible for the provincial anti-drug strategy/Ap de la ministre déléguée à la Stratégie antidrogue provinciale

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McLeod, Lyn (Fort William L)

Miclash, Frank (Kenora L) opposition chief whip/Whip en chef de l'opposition

Mills, Gord (Durham East/-Est ND) PA to Solicitor General/Ap du Solliciteur général

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Murdock, Sharon (Sudbury ND) PA to Minister of Labour/Ap du ministre du Travail

North, Hon/L'hon Peter (Elgin ND) Minister of Tourism and Recreation/Ministre du Tourisme et des Loisirs

O'Connor, Lawrence (Durham-York ND) PA to minister responsible for the greater Toronto area/Ap de la ministre responsable du Bureau de la région du grand Toronto

Offer, Steven (Mississauga North/-Nord L)

O'Neil, Hugh P. (Quinte L)

O'Neill, Yvonne (Ottawa-Rideau L) opposition deputy whip/Whip adjointe de l'opposition

Owens, Stephen (Scarborough Centre/-Centre ND) PA to Minister of Financial Institutions, government whip/Ap du ministre des Institutions financières, whip du gouvernement

Perruzza, Anthony (Downsview ND) PA to Minister for Skills Development/Ap du ministre de la Formation professionnelle

- Philip, Hon/L'hon Ed** (Etobicoke-Rexdale ND) Minister of Industry, Trade and Technology/Ministre de l'Industrie, du Commerce et de la Technologie
- Phillips, Gerry** (Scarborough-Agincourt L)
- Pilkey, Hon/L'hon Allan** (Oshawa ND) Solicitor General, Minister of Correctional Services/Solliciteur général, ministre des Services correctionnels
- Poirier, Jean** (Prescott and Russell/Prescott et Russell L)
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- Sorbara, Gregory S.** (York Centre/-Centre L)
- Sterling, Norman W.** (Carleton PC)
- Stockwell, Chris** (Etobicoke West/-Ouest PC)
- Sullivan, Barbara** (Halton Centre/-Centre L)
- Sutherland, Kimble** (Oxford ND) PA to Chairman of the Management Board of Cabinet; Vice-Chair, standing committee on finance and economic affairs/Ap du président du Conseil de gestion du gouvernement, vice-président du Comité permanent des finances et des affaires économiques
- Swarbrick, Anne** (Scarborough West /-Ouest ND)
- Tilson, David** (Dufferin-Peel PC)
- Turnbull, David** (York Mills PC)
- Villeneuve, Noble** (S-D-G & East Grenville/S.-D.-G. & Grenville-Est PC) Second Deputy Chair of the Committee of the Whole House/Deuxième vice-président du Comité plénier de l'Assemblée législative
- Ward, Brad** (Brantford ND) PA to Minister of Industry, Trade and Technology with responsibility for trade and technology/Ap du ministre de l'Industrie, du Commerce et de la Technologie et délégué au Commerce et à la Technologie
- Ward, Margery** (Don Mills ND) PA to Minister of Government Services/Ap du ministre des Services gouvernementaux
- Wark-Martyn, Hon/L'hon Shelley** (Port Arthur ND) Minister of Revenue/Ministre du Revenu
- Warner, Hon/L'hon David** (Scarborough-Ellesmere ND) Speaker; Co-Chair, special committee on the parliamentary precinct/Président, coprésident du Comité extraordinaire de l'enceinte parlementaire
- Waters, Daniel** (Muskoka-Georgian Bay/Muskoka-Baie-Georgienne ND) PA to Minister of Tourism and Recreation; Vice-Chair, standing committee on resources development/Ap du ministre du Tourisme et des Loisirs, vice-président du Comité permanent du développement des ressources
- Wessinger, Paul** (Simcoe Centre/-Centre ND) PA to Minister of Health/Ap de la ministre de la Santé
- White, Drummond** (Durham Centre/-Centre ND)
- Wildman, Hon/L'hon Bud** (Algoma ND) Minister of Natural Resources, minister responsible for native affairs/Ministre des Ressources naturelles, ministre délégué aux Affaires autochtones
- Wilson, Hon/L'hon Fred** (Frontenac-Addington ND) Minister of Government Services/Ministre des Services gouvernementaux
- Wilson, Gary** (Kingston and The Islands/Kingston et Les Îles ND) PA to Minister of Culture and Communications/Ap de la ministre de la Culture et des Communications
- Wilson, Jim** (Simcoe West/-Ouest PC)
- Winner, David** (London South/-Sud ND) PA to Attorney General, PA to minister responsible for native affairs/Ap du Procureur général, ap du ministre délégué aux Affaires autochtones
- Wiseman, Jim** (Durham West/Durham-Ouest ND) PA to Minister of Correctional Services/Ap du ministre des Services correctionnels
- Witmer, Elizabeth** (Waterloo North/-Nord PC)
- Wood, Len** (Cochrane North/-Nord ND) PA to Minister of Natural Resources/Ap du ministre des Ressources naturelles
- Ziemba, Hon/L'hon Elaine** (High Park-Swansea ND) Minister of Citizenship, minister responsible for human rights, disability issues, seniors' issues and race relations/Ministre des Affaires civiques, déléguée aux Droits de la personne, aux Affaires des personnes handicapées, aux Affaires des personnes âgées et aux Relations interraciales

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COMITÉS DE L'ASSEMBLÉE LÉGISLATIVE**

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Clerk/Greffier: Franco Carrozza

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Vice-Chair/Vice-Présidente: Ellen MacKinnon

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Rôle de l'Ontario au sein de la Confédération**

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Vice-Chair/Vice-Président: Dennis Drainville

Vice-Chair/Vice-Président: Gilles Bisson

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Co-Chair/Coprésident: Noel Duignan

Members/Membres: Dianne Cunningham, Remo Mancini, Kimble Sutherland

Clerk/Greffier: Smirle Forsyth

CONTENTS

Thursday 10 October 1991

Private members' public business

County of Simcoe Act, 1991, Bill 132	2843
Mr J. Wilson	2843
Mr Drainville	2844
Mr Mahoney	2845
Mr McLean	2847
Mr Wessenger	2849
Mr Mills	2849
Mr J. Wilson	2850
Negatived	2858
Farm income, resolution 36	2850
Mr Mancini	2850
Mr J. Wilson	2852
Mr Hayes	2853
Mr Ramsay	2854
Mr Villeneuve	2856
Mr Hope	2857
Mr Sutherland	2858
Mr Mancini	2858
Negatived	2858

Members' statements

Government spending	2859
Mr Sola	
Biomedical waste disposal	2859
Mr Villeneuve	
John Simpson	2859
Mr Owens	
Mississauga Board of Trade	2859
Mr Mahoney	
Hunting and fishing in Algonquin Park	2860
Mr Arnott	
Royal visit	2860
Ms S. Murdock	
Government strategies	2860
Mr Phillips	
Breast Cancer Awareness Day	2860
Mrs Marland	
Business in Brantford	2861
Mr B. Ward	
Rent regulation	2861
Ms Gigantes	
Ms Akande	
Mr Rae	

Statements by the ministry

Expo '98	2862
Mr North	

Responses

Expo '98	2862
Mr H. O'Neil	
Mr Phillips	
Mr Harris	
Mr Arnott	
Ministerial statements	2863
Mr Cousens	
Land registration	2864
Mr Tilson	
Mr Mancini	
Croatian ceremony	2865
Mr Callahan	

Oral questions

Etobicoke Waterfront Development	2866
Mr McClelland	
Mrs Grier	
UTDC Inc	2866
Mr Elston	
Mr Pouliot	
Parliamentary procedure	2868
Mr Harris	
Mr Rae	
Public safety	2870
Mr Runciman	
Ms Lankin	
Hunting and fishing in Algonquin Park	2871
Mr Ramsay	
Mrs Grier	
Northern Ontario	2872
Mr Harris	
Miss Martel	
Wage protection	2872
Mr Morrow	
Mr Mackenzie	
UTDC Inc	2873
Mrs McLeod	
Mr Pouliot	
Land registration	2873
Mr Tilson	
Ms Churley	
School transfer	2874
Mr Hansen	
Mrs Boyd	

Visitors	2874
The Speaker	

Petitions

Tobacco taxes	2874
Ms S. Murdock	
Oath of allegiance	2875
Mr J. Wilson	
Mr Mahoney	

Committee of the whole House

Employment Standards Amendment Act (Employee Wage Protection Program), 1991, Bill 70	2875
Mr Callahan	2875
Mr Cordiano	2878
Mr Harnick	2879
Mr Sola	2880
Mr Tilson	2880

Employment Standards Amendment Act (Employee Wage Protection Program), 1991 (continued)

Mr Sterling	2882
Mr Mackenzie	2882
Mr Offer	2883
Mr Cousens	2884
Mr Perruzza	2888
Mrs Marland	2889
Mrs Caplan	2890
Progress reported	2893

Business of the House	2893
Mr Cooke	

Lists of members

Members and their responsibilities
Committees of the Legislative Assembly

TABLE DES MATIÈRES

Le jeudi 10 octobre 1991

Affaires d'intérêt public émanant de simples députés

Loi de 1991 sur le comté de Simcoe, projet de loi 132	2843
Rejetée	2858

Comité plénier de l'Assemblée législative

Loi de 1991 modifiant la Loi sur les normes d'emploi, (Programme de protection des salaires des employés), projet de loi 70	2875
Étude ajournée	2893

Listes des députés

Les députés et leurs responsabilités
Comités de l'Assemblée législative

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Legislative Assembly of Ontario

First Session, 35th Parliament

Official Report of Debates (Hansard)

Tuesday 15 October 1991

Assemblée législative de l'Ontario

Première session, 35^e législature

Journal des débats (Hansard)

Le mardi 15 octobre 1991



Speaker
Honourable David Warner

Clerk
Claude L. DesRosiers

Président
L'honorable David Warner

Greffier
Claude L. DesRosiers



Table of Contents

Table of Contents for proceedings reported in this issue appears at the back, together with an alphabetical list of members of the Legislative Assembly of Ontario.

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Numbering of Hansard

Effective with the opening of the Second Session of the 35th Parliament, Hansard issues and pages will once again be numbered on a sessional basis. Hansard numbering therefore will become consistent with Orders and Notices and Votes and Proceedings, and with other parliamentary publications throughout Canada.

For the last two years Hansard has been numbered according to the calendar year. Under this system, the numbering of issues and pages was restarted with the first issue in the calendar year, regardless of session or Parliament.

Under the new system, the sequence of numbering started in January 1991 will end with the final House and committee sittings of the present First Session. A new sequence will begin on the opening day of the Second Session, and each succeeding session, which will be issue 1 and begin with page 1. Committee reports likewise will be numbered from the first sitting of each committee in a parliamentary session.

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Table des matières

La table des matières des séances rapportées dans ce numéro se trouve à l'arrière de ce fascicule, ainsi qu'une liste alphabétique de députés de l'Assemblée législative de l'Ontario.

Il existe un index cumulatif des numéros précédents. Les renseignements qu'il contient sont à votre disposition par téléphone auprès des employés de l'index du Journal des débats au (416) 325-7400.

Numérotation du Journal des débats

A partir du début de la deuxième session de la 35^e législature, les pages et les numéros du Journal des débats seront de nouveau numérotés par session. La numérotation du Journal des débats correspondra donc à celle de Feuilleton et Avis et de Procès-verbaux, ainsi que celle des autres publications parlementaires au Canada.

Depuis deux ans, le Journal des débats était numéroté par année civile. Avec ce système, la numérotation des numéros et des pages recommençait au premier numéro de l'année civile, quelle que soit la session ou la législature.

Avec le nouveau système, la numérotation commencée en janvier 1991 s'arrêtera à la dernière séance de la Chambre et des comités de l'actuelle première session. Une nouvelle série commencera le jour de l'ouverture de la deuxième session et des sessions suivantes : numéro 1, page 1. Les rapports des comités seront également numérotés à partir de la première séance de chaque comité pour une session parlementaire donnée.

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LEGISLATIVE ASSEMBLY OF ONTARIO

Tuesday 15 October 1991

The House met at 1330.

Prayers.

MEMBERS' STATEMENTS

EDUCATION POLICY

Mr Bradley: What a difference a year makes. To hear the member for London Centre, now former Minister of Education and in years gone by a staunch advocate of 60% provincial funding for education and a harsh critic of previous governments on the issue of educational finance, now lecture local people with the statement, "Boards must understand that the province does not have an unlimited supply of money," is indeed revealing and must send shivers through the provincial executives of the affiliates of the Ontario Teachers' Federation that so enthusiastically supported the New Democratic Party.

What a lesson the member for London Centre has taught to coterminous boards of education, which after many months of difficult negotiations reached an agreement on the transfer of schools only to have the minister delay and dither and then overturn an amicably reached accord. As Lincoln trustee Dalt Clark stated, "Frankly, the public school taxpayers in Lincoln county have been shafted by the Ministry of Education."

The lesson is clear. Those who reach an agreement without public rancour, insults, violence or recriminations are rewarded with the short end of the stick. Those who demonstrate, shout, threaten and throw their local problems in the lap of the province get their way. The people of Lincoln county will not soon forget the cruel lesson from this government that good-faith negotiators will be kicked in the teeth.

LIQUOR STORES

Mr Tilson: I rise to protest the cavalier way in which the Premier breaks his promises. I am referring to the case of Mrs Wilma McNeil of Sarnia. She has spent two years fighting to have the LCBO outlets closed on November 11, Remembrance Day. On October 4, the Premier sent Mrs MacNeil a letter that said in part: "Our government has the utmost respect for those brave men and women who represented our country in times of war. You'll be pleased to know that the Liquor Control Board of Ontario outlets will be closed Monday, November 11."

Those are fine words in that letter signed by the Premier. Unfortunately Mrs McNeil has learned that with this government talk is cheap. She has since received a telephone call from the Premier's office explaining that he really did not mean what he said, that liquor stores will be open on Remembrance Day and that the letter from the Premier was not really a letter from the Premier. It was signed by an autopen.

The Premier must realize that when his word cannot be trusted, it adds to the distrust people feel towards all politi-

cians. I urge the Premier to honour the letter sent to Mrs McNeil that bears his name and make good on his promise.

QUEEN'S UNIVERSITY SESQUICENTENNIAL

Mr G. Wilson: On October 16, 1841—150 years ago—Queen's University was established by royal charter issued by Queen Victoria. Classes began five months later when Queen's College at Kingston, as it was called, opened in a small, rented, wood-frame house at the edge of the city. There were two professors and 13 students.

Throughout 1991-92, that tiny college celebrates its sesquicentennial. Known as Queen's University since 1912, the school is one of the oldest and most distinguished universities in Canada, with a long-established tradition of service. There are now two large campuses with more than 17,000 students in five faculties, 10 schools and one affiliated college, taught by a faculty of more than 1,100 and supported by a staff of nearly 3,000.

Growth was not always easy. In the 1880s there was much talk within university and provincial circles that Queen's should move from Kingston and merge with the University of Toronto. Queen's overcame adversity to become a major influence on eastern Ontario and beyond.

Locally it has contributed millions of dollars to the economy as well as to providing public access to its many activities, enriching the intellectual, spiritual and recreational life of the community. With more than 70,000 graduates living in all provinces and territories of Canada and over 100 countries around the world, Queen's has truly earned its reputation as a university of the first rank.

In celebrating its sesquicentennial, the university is hosting an array of conferences, lectures and symposia on a range of contemporary issues. By focusing on questions of public concern, Queen's is not only paying tribute to its past but continuing its mission of public service.

I know all members of the Legislature will join with me in congratulating Queen's on its magnificent achievement and in wishing it well over its next 150 years.

THUNDER BAY SHOPPING PLAN

Mrs McLeod: I rise in the House today to congratulate the citizens of Thunder Bay for their ingenious and proactive response to the issue of cross-border shopping. This Christmas, Thunder Bay's credit unions will be offering shoppers interest-free loans of up to \$5,000. The Thunder Bay Chamber of Commerce, in conjunction with Thunder Bay credit unions, have devised this plan to persuade residents to do their shopping in Thunder Bay rather than crossing the border to purchase goods in the United States.

The plan has garnered the support of more than 50 local businesses in Thunder Bay. This Christmas, residents will be able to shop in the city stores using "Shopping Spree" cheques that have been issued by Thunder Bay's credit unions. In this innovative move, residents will be given six months to pay back their loans interest-free.

I would like to commend the Thunder Bay Chamber of Commerce, the credit unions, the local retailers and the citizens of Thunder Bay for their initiative. It represents a community solution to a problem that is national. While the problem of cross-border shopping cannot be eradicated by municipalities alone, I am proud of the initiative the people of Thunder Bay have exhibited at the municipal level.

HEALTH INSURANCE

Mr Jackson: I bring to the attention of all members of the House yet another case in which Ontario seniors are being treated unfairly by the New Democratic Party government. I would like to quote directly from a letter in my possession from Medicare International Insurance.

It says, "The new OHIP rules have caused rates for out-of-country medical insurance to skyrocket and this class of insurance is now a very lucrative source of income for travel, general and life insurance broker agents." It goes on to say: "The best is yet to come. You will receive a 30% commission cheque every time your client activates their card after the initial trip, even though your brokerage agency may not continue to be associated with this client."

This letter raises a number of significant questions. Why did it take the NDP government six months to approve rate reductions requested by auto insurance companies, but only two months to fast-track increases for out-of-country medical coverage for Ontario residents? According to the letter, they made it very lucrative. Can the NDP Minister of Financial Institutions explain what exactly he has done to bring this situation about and why? Can he also explain the hardships this NDP action has inflicted on senior citizens, many of whom travel to warmer climates for health reasons? This flies in the face of what the NDP Minister of Health said about the subsidizing of seniors by her government.

It is unacceptable that the NDP, which made affordable auto insurance an election issue, is now completely ignoring the legitimate pleas of Ontario seniors for fair and sensitive treatment with respect to out-of-country health insurance.

1340

DONNA LAILEY

Ms Haeck: I rise today to tell the House of a unique person from my riding of St Catharines-Brock who has made a valuable contribution to the Ontario wine industry, 1991 Grape Queen Donna Lailey.

Donna Lailey has been a full-time grape grower in Niagara-on-the-Lake for almost 20 years. This year her 20-acre vineyard along the Niagara Parkway was judged to be the most outstanding in Ontario. Besides having this honour bestowed on her, Queen Donna also is the first woman to receive this prestigious crown in the 35-year history of the competition.

With the help of her husband David, who is a school-teacher, Donna grows mainly Vitis vinifera grapes and sells to Cartier Wines of Niagara Falls. Table wine varieties at the Lailey Vineyards include Chardonnay, Riesling, Pinot Noir and Cabernet. Besides her commercial activities, she also developed an innovative marketing program

to supply an estimated 600 amateur winemakers around Ontario. In fact, last year's winning Chardonnay at the Amateur Winemakers of Ontario competition was made from Lailey grapes.

The crowning of the Grape Queen is just one of the many events at the annual Niagara Grape and Wine Festival, which has recently been held for the 40th time. Over the next year Mrs Lailey will be busy representing and promoting the Ontario wine producers. Already this year she has participated in the Great Ontario Grape Stomp for Easter Seals held at Nathan Phillips Square and today she will be a special guest at the Speaker's wine-tasting reception here at Queen's Park. The member for Lincoln and I encourage all members to attend a very interesting function this evening.

DEVELOPMENT CHARGES

Mr Beer: On November 23, 1989, Bill 20, legislation which provided boards of education with the opportunity to put in place lot levies to raise money for the construction of new school buildings, received royal assent. Today, almost two years later, the implementation of that legislation has not yet taken place.

Those boards of education which are experiencing significant growth have been waiting for 22 months for the government to act. Boards in Durham, Peel, Halton, Simcoe, Dufferin and my own region of York have had their rate of grants for capital purposes reduced drastically during this period—in York region from 55% to 27%—but remain frustrated by their inability even to hold public meetings on the issue, let alone pass the necessary bylaws. While the months have passed, this NDP government has avoided taking action. The growth boards of education in this province remain angry and frustrated.

I hold in my hand a letter to the former Minister of Education from Mr Harry Bowes, chair of the York Region Board of Education and the chair of the Growth Boards Coalition, which speaks of their frustration. Mr Bowes is normally a calm and reasoned man who avoids extremes. When in the letter he uses words such as, "In 17 years of trusteeship, I have never been involved in such a frustrating and depressing experience," one knows the problem is a serious one.

To the new Minister of Education I say, put a stop to this disgraceful situation. He has several problems to address in his new portfolio, but none more serious than this. More delay and more procrastination is not the answer. He should act responsibly and deal with the issue now.

NORTHERN HEALTH TRAVEL GRANTS

Mr Eves: As members are aware, I have been a very active participant in the fight to secure the eligibility of all residents of Nipissing and Parry Sound districts to participate in the northern health travel grant program.

As of July 1, 1991, the Minister of Health finally recognized the northern status of the riding and changed the regulations to allow residents of Parry Sound riding to qualify for this program. However, further regulation now dictates that the general practitioner who refers the resident for specialized medical treatment must be a northern Ontario

physician in order for the patient to qualify for the program. As a result, some residents in the district of Parry Sound are denied access to the program.

For example, a constituent living in Sprucedale or the southern part of the riding who naturally goes to a doctor in Huntsville, which is closer, is now not given access to the northern health travel grant program. I view this as being inconsistent, to say the least, with the commitment the minister gave to the House.

There also appears to be a great deal of confusion within the Ministry of Health about this very stipulation. Information released by the media liaison officer of communication and information—in itself a mouthful—in the ministry indicated to a newspaper in Parry Sound riding that the program was based solely on the home address of the applicant. This is not true. Upon contacting the northern health travel grant program people in the ministry, they indicate that in fact if it is not a northern physician referring the patient, the patient is not covered.

I would like to clear up this misinformation and confusion. Perhaps the minister could address this issue once and for all.

PUBLIC SAFETY

Ms Carter: I am making this announcement on behalf of the parents and family of Nina de Villiers. Her uncle, Johan de Villiers is my constituent.

This tragically bereaved family is circulating a petition to the House of Commons in Ottawa, which reads in part:

"We, the undersigned residents of Canada, in support of the parents of Nina de Villiers, draw the attention of the House to the following:

"That the murder of Nina de Villiers on the 9th of August, 1991, has exposed serious deficiencies in the criminal justice system. There are many vulnerable persons who have little protection under the current system. Women, children and disabled persons are at particular risk.

"That statutes governing the criminal justice system in Canada must be revised to reflect societal attitudes.

"Therefore, your petitioners request that Parliament recognize that crimes of violence against a person are serious and abhorrent to society and amend the Criminal Code of Canada, the Bail Reform Act of 1972 and the Parole Act accordingly."

Copies of this petition can be obtained free of charge from all members of the House of Commons in Ottawa, so please contact your local MP. Mr Johan de Villiers will assist members of the public in obtaining additional copies for circulation. His telephone number is 705-745-5600.

MINISTERIAL STATEMENTS

The Speaker: On Wednesday, October 9, the Leader of the Opposition (Mr Elston) raised a point of order with respect to statements by ministers of the crown made outside the legislative chamber. The members for St George-St David (Mr Scott), Parry Sound (Mr Eves), Parkdale (Mr Ruprecht), Oriole (Mrs Caplan), York Centre (Mr Sorbara), Willowdale (Mr Harnick) and Etobicoke West (Mr Stockwell) joined the Leader of the Opposition in express-

ing concern over ministerial announcements made outside the legislative chamber.

Statements by ministers of the crown have been given a recognized place in the routine proceedings. Standing order 31(a) specifically provides that "A minister of the crown may make a short factual statement relating to government policy, ministry action or other similar matters of which the House should be informed."

The standing orders do not require or compel ministers of the crown to first make statements of public policy or new directions to be taken by the government to the House. Standing order 31(a) is permissive; a minister of the crown "may" make such a statement in the House.

Statements of government policy or ministry action made outside the legislative chamber by ministers of the crown do not constitute legitimate points of order. This has been confirmed on many occasions by me and my predecessors as Speaker in Ontario and by Speakers in other legislatures in Canada and the Commonwealth. The definitive statement on this matter was made by Speaker Lamoureux of the House of Commons of Canada on October 30, 1969. In his ruling Speaker Lamoureux stated:

"The question has often been raised whether parliamentary privilege imposes on ministers an obligation to deliver communications to the public through the House of Commons or to make these announcements or statements in the House rather than outside the chamber. The question has been asked whether honourable members are entitled, as part of the parliamentary privilege, to receive such information ahead of the general public. I can find no precedent to justify this suggestion. There may be, in such circumstances, a question of propriety or a question of courtesy. There may be a grievance. But in my view there cannot be a question of privilege."

Although I have no power to force ministers of the crown to come before the House and make a statement on government policy or ministry action, I am of the opinion that the members who spoke on this matter have a valid grievance of which the government should take serious note.

I concur with the statement of Speaker Weatherill of the House of Commons at Westminster on July 16, 1991. The Speaker stated:

"Time was when ministers always made statements to the House before they made them outside. I hope that we can get back to that practice. This chamber is the forum of the nation. This is where statements should always first be made, not to those outside."

1350

PARLIAMENTARY PROCEDURE

The Speaker: On Wednesday last, the Leader of the Opposition (Mr Elston) rose on a question of privilege soon after the oral question period began. He informed the House that a member of the Premier's staff seated in the government section of the under press gallery behind the Speaker's dais had just directed a remark to the member for Brampton North (Mr McClelland) as he was placing a question to the former Minister of Community and Social Services (Ms Akande).

Members will know that such matters are covered by our standing orders. Standing order 13(a) empowers the Speaker to maintain order and decorum in the chamber. Standing order 17 reads as follows:

"Any stranger admitted to any part of the House or gallery who misconducts himself or herself, or does not withdraw when strangers are directed to withdraw, while the House or a committee of the whole House is meeting, may be expelled from the precincts of the House by the Sergeant at Arms, or anyone acting under the direction of the Sergeant at Arms."

And standing order 18 reads as follows:

"All strangers may be excluded from the House or any committee thereof on a motion properly moved and adopted by the House or the committee, as the case may be."

It is clear then that members' staff, the press and members of the public are permitted to be in the galleries when the House is meeting, but only as long as they do not misbehave or disrupt the business of the House.

The 21st edition of Erskine May's *Parliamentary Practice* states the following at page 115:

"Any disorderly, contumacious or disrespectful conduct in the presence of either House or committee will constitute a contempt, which may be committed by strangers, parties or witnesses.... Strangers have been punished for contempt for disorderly conduct for having interrupted or disturbed the proceedings of either House or a committee...."

The 2nd edition of Australia's *House of Representatives Practice* states the following at page 161:

"To perform its functions the House must be protected from physical disruption, disturbance and obstruction and there is no doubt that the House has the power to protect itself from such actions."

I have to say, at the time in question, I did not hear anything untoward from the under galleries, but I undertook to investigate the matter. I have had an opportunity to review Wednesday's Hansard, but it contained no record of a remark by a stranger. I am satisfied that the Sergeant at Arms dealt with the matter in the appropriate way. Members can rest assured that I will continue to be vigilant to ensure that order and decorum are maintained in the House. Misbehaviour by occupants of the galleries will not be tolerated.

In closing, I want to thank the Leader of the Opposition for raising what I took to be a very serious matter. This incident also affords me an opportunity to encourage members to do their part in the maintenance of order and decorum in the chamber. Members will recall that there were many interjections in the chamber at the outset of last Wednesday's oral question period, as has been the case in other recent question periods before and since. In such circumstances, it can be difficult to hear what is being said by members who properly have the floor, let alone ascertain whether inappropriate remarks are being made from the galleries. It would therefore be most helpful if members would speak one at a time and after having been recognized by the Chair. This would help the Speaker to maintain order and decorum in this chamber.

LAND REGISTRATION

The Speaker: On Thursday, October 10, the member for Dufferin-Peel (Mr Tilson) raised a question of privilege with respect to remarks made in a court of law by a lawyer representing the Ministry of Consumer and Commercial Relations. The member for Dufferin-Peel was of the opinion that the remarks constituted a question of privilege or contempt in that they were insulting and obstructed members in the performance of their functions by diminishing the respect due to the House and its committees, by prejudicing the results of a committee of the Legislature and by calling into question the validity of the powers and integrity of the members of the House.

The member for Essex South and Chair of the standing committee on general government (Mr Mancini) also spoke to this question of privilege. He indicated this was a matter which was before the standing committee and that the clerk of the committee had been asked to obtain the court transcripts so the committee could see for itself what was said and whether the remarks attributed to the ministry lawyer were true. This is clearly a matter which is before the standing committee on general government and ought to be settled in the committee, not in the House.

After considering the court transcripts, the committee may make a report to the House on matters which affect its proceedings. There being no report from the committee, the matter may not be raised as a question of privilege in the House.

Hon Mr Rae: I think there is unanimous consent that I make a very brief statement without the benefit of paper.

The Speaker: Is there unanimous consent?

Agreed to.

CABINET MEMBERS

Hon Mr Rae: I simply want to advise the House officially that subsequent to the resignation of the member for St Andrew-St Patrick, the new Minister of Community and Social Services is the member for London Centre, that the new Minister of Education is the member for Dovercourt and that responsibility in an administrative sense for long-term care has been given to the Minister of Health.

Mr Elston: This arrangement came about in the House so I was not exactly sure how the response was to be handled, but I might just first of all take this time to congratulate the new ministers on their new positions.

I must say I have somewhat of a difficulty in learning that the Chairman of Management Board, a place I served at for some length of time, is going to have an easy time implementing the program that his mentor, the storyteller from Nickel Belt, has foisted on all the ministries. The minister at Management Board, although I know he is not involved in all of the day-to-day fiscal planning around the cutbacks, or whatever those are being described as inside government these days, will have to deal with the issue of personnel and other matters.

He will find himself engaged fully, I suspect, in trying to discover what in the Ministry of Education is going to allow him to meet his constraints, plus being able to do

what I am sure he was advocating at one time as chairman of a school board in a large municipality whose name is well known to us all. A big issue for that minister is 60% funding, and I suspect that in his new incarnation he will want to discover how at Management Board he can assist that ministry to deliver the goods this time, since his colleague the last minister was unable to convince the Treasurer of the day that this in fact should be carried out.

I do wish him well. I wish the Minister of Community and Social Services well, except there is one particular difficulty I note full well for her, which is that there has been a new dissection of responsibilities inside the Ministry of Community and Social Services as it shares the duties and obligations of providing long-term care for the people of Ontario.

That has been removed now from Community and Social Services to the Minister of Health. It is an interesting movement back and forth of these obligations. It is not so many months ago that I recall receiving letters from medical officers of health complaining about the fact that they had been taken off the delivery of a lot of community services and their budgets moved over to Community and Social Services administrators.

These new ministers will find challenges that are daunting. I wish them well. I do want to set out for a short period of time some concerns that will confront these people. I noticed that the Minister of Community and Social Services has again obligated her government to end the existence of food banks. We will have some questions to ask about that particular specific plan. I am sure we will find a very good answer in a very few minutes from now.

1400

Mr Eves: On behalf of our party, I rise to wish the new ministers well in their new duties. I have some idea of what the Minister of Community and Social Services goes through every day and I wish the member for London Centre nothing but the best in her future endeavours.

If there is anybody who can deliver on the 60% operational funding commitment, the member for Dovercourt, being Chairman of Management Board of Cabinet, can. I am sure he will be able to persuade Pink Floyd and others down here that this indeed should be done, and I assume it will be done during this fiscal year.

I note the government has chosen this opportunity to again shuffle, as the leader of the official opposition has indicated, the on-again, off-again Health-Community and Social Services ongoing saga as to who has the responsibility for long-term care. This is yet another opportunity, I guess, to shuffle it to a new ministry again. Hopefully this time something will be done with it.

STATEMENTS BY THE MINISTRY

MIDWIFERY

Hon Mr Cooke: I am tabling in the House today documents which were distributed this morning at an announcement by the Minister of Health and the Minister of Colleges and Universities with respect to the establishment of a program of education for midwives in Ontario. With the establishment of this program, Ontario will become the

first province to offer a bachelor's degree program in midwifery.

HUNTING AND FISHING IN ALGONQUIN PARK

Hon Mr Wildman: I would like to inform members that the Ontario government and the Algonquins of Golden Lake have signed an interim agreement on hunting. This agreement flows from the commitments the government has made in the course of the land claim negotiations with the Algonquins of Golden Lake which began on June 15.

In announcing this new agreement, I want to indicate that we have met our commitments to consult with the public before signing this arrangement. The agreement demonstrates that the consultation has been meaningful and that the Algonquins of Golden Lake are being reasonable.

The province discussed the ideas of this interim agreement with interested parties during the course of negotiations. Then we went back to these parties with a draft of this agreement to discuss it further and to receive their comments and input before the government signed the document.

Indeed, there have been several additional items placed in the agreement as a direct result of the consultation. For example, every effort will be made to ensure that hunting does not occur in nature reserves, wilderness zones or historic zones. The agreement also specifically recognizes the need to protect rare, threatened and endangered species as well as wolves and loons.

Other matters raised by interested parties will be dealt with on an administrative basis during the course of the agreement. The interim agreement identifies those areas, within the territory the Algonquins claim as their traditional territory, where they will hunt moose and deer for food. The claim territory includes a large portion of Algonquin Park. The agreement ensures that hunting will be within biologically sustainable limits.

As we have indicated from the outset of the discussions with the Algonquins, the interim agreement clearly recognizes the commitment of both Ontario and the Algonquins to conservation of wildlife, the preservation of the values of Algonquin Park and the protection of public safety.

The agreement has been designed to ensure that there will be no infringement of the public's ability to enjoy hiking, camping and canoeing in Algonquin Park.

The agreement also ensures that public safety and private property rights are protected outside the park.

The interim agreement expires at the end of August 1992, but I believe it will provide a framework for other agreements while the land claim negotiations continue.

I would like for a moment to highlight some of the key terms of the interim agreement.

1. Within Algonquin Park, the Algonquins will hunt moose and deer from today, October 15, 1991, to January 15, 1992.

2. Hunting inside the park is restricted to an area north and east of the Shirley Lake Road in order to ensure that as much as possible, hunting is not in an area frequented by park visitors.

3. Within the park, the Algonquins will not use all-terrain vehicles and snowmobiles for hunting, and there are important restrictions on the use of cars, trucks and motor boats.

4. Outside the park, but within the land claim area, the Algonquins will hunt moose and deer from September 1, 1991, to January 15, 1992.

The hunt limits set out in the agreement are well within the level that is biologically sustainable for the area populations of moose and deer. The harvest levels represent a relatively small percentage of the total number of moose and deer hunted annually in this area.

There are other measures in the agreement to ensure enforcement and to ensure that the terms of the agreement are observed. Funds will be provided to enable the Algonquins to hire a person to be responsible for ensuring that the agreement is observed. Ontario's conservation officers will also be responsible for the enforcement of the agreement. Conservation measures will be enforced by a tribunal established by the Algonquins. Issues of public safety and private property may be enforced by the Ontario government. Both sides are committed to guaranteeing the protection of public safety and that laws are observed with regard to private property.

A joint co-ordinating committee will be established with the Ministry of Natural Resources to gather information necessary for the proper management of hunting, including game inventories, and harvesting and biological reports. In addition, discussions are continuing on developing an interim arrangement on fisheries management.

I am pleased to be able to announce that we are making significant progress in resolving outstanding issues with the Algonquins of Golden Lake. They first asked to have their rights recognized in the late 18th century. In 1983, they lodged a claim with the federal and Ontario governments that covers approximately 14,000 square miles of land within the watershed of the Ottawa River. The negotiations on the land claim will be complex and it is essential that the federal government be fully involved. So far, Canada has named an observer to the negotiations.

I believe that with patience and understanding, we will find a way to settle the historic grievances and to create a harmonious climate for everyone.

RESPONSES

HUNTING AND FISHING IN ALGONQUIN PARK

Mr Ramsay: All members of this House understand and I think have an appreciation of the sensitivity of this issue, and understand the tremendous challenge this minister has had in bringing forward this agreement.

But I must say that for the minister to stand in his place today and pat himself and his government on the back for the consultation process that has been involved in this, when it was merely a week ago less a day that the minister brought forward an interim agreement proposal that really allowed four working days for the people of this province to consider this agreement, that is really not a consultation process at all.

Let alone the fact that the Minister of the Environment on Thursday of last week received a request by the Ad Hoc Committee to Save Algonquin Park for an environmental assessment, on which we have had no response to date. I take it the minister has rejected that, as the agreement is now signed. We would still like to hear a statement from the Minister of the Environment.

The agreement is couched with qualifications and phrases of conditionality: "may try" to do this; "with every attempt" to do this. It is a grave concern that public safety and public security are not going to be protected. The agreement speaks of restricted zones. We have wilderness zones and nature reserves in Algonquin Park. There is "an attempt" to do this but I think it should be mandatory that this hunting does not happen in the wilderness areas. I ask the minister, what of the newly proposed wilderness areas of Algonquin Park? These have not been brought into being yet.

The agreement, again, only recognizes the need to protect threatened species and endangered species and rare species.

Hon Mr Wildman: They won't be hunting those.

Mr Ramsay: The minister says they will not be hunting those. We need that certainty. We want to make sure they will not. I would also ask the minister to make sure that non-game species are not included.

On the quota of 100 moose, biologists have said that in Algonquin Park itself most areas could not sustain a moose hunt. I ask the minister to consider a quota whereby the 100 moose that are to be harvested may be from within the park and outside the park so that we could have some certainty that the moose population within the park will not be endangered.

1410

MIDWIFERY

Mr Phillips: In response to the statement by the government House leader, on the good news side of it, clearly we are supportive of these two statements. They follow very much the proposals the previous government had made. We welcome the bachelor program for midwives, particularly the Michener Institute. We think that is the right place for the program to be. Certainly we support the breadth of choice midwives will present to the women of Ontario.

There are two things we want to register with the government. The first is that I hope you can appreciate the anger we feel on this side of the House when ministers have the time to make a public statement elsewhere but cannot find the time to be in the House to make the statement themselves. The government House leader simply tables the two statements and we do not have an opportunity to hear either of the ministers make those statements in the House, nor do we have an opportunity to question either of the ministers in the House today. I hope the government House leader and the Premier in particular would recognize that this is another example of the thing that concerns us.

The other thing—this would be directed to the Premier—is that this program was a program that my House

leader, the member for Bruce, announced in 1986 and was followed up by our last Minister of Health, the member for Oriole. As the government looks for co-operation from this side, I have scoured this material now and there is not one mention made of any of the work of my colleague the member for Oriole.

I suggest to the government there are many people thanked in this document. The grace and the good common decency to acknowledge the work of the previous minister would go a long way towards establishing a kinder, gentler place here in the Legislature.

Mr Daigeler: I find it unbelievable that last week in this House we had a very strong presentation by our leader that it was unacceptable that ministers make statements to the press before they make statements to the House in here, and today, on the first opportunity the government has to correct the situation, what does it do? The government House leader, on behalf of other ministers, makes a statement. I certainly hope that will not be the new practice, and if that is his idea of democracy and of participating in this House, he certainly is on the wrong road.

Mr J. Wilson: I too am pleased to respond to the announcement tabled by the government House leader today concerning the province's intention to offer a bachelor's degree program in midwifery. We congratulate the government on that. We have no qualms about that. But like the previous Liberal speakers, I emphasize that our party takes very strong issue with the fact that once again this government has made a very important announcement outside this Legislature.

It seems in light of your ruling, Mr Speaker, and in light of the raucous debate we had last week in this House, that the government must take seriously its responsibility to report to this Legislature and to have respect for the parliamentary process.

I would add to the previous points by saying that as the Ontario Progressive Conservative Party Health critic, I sit on the committee that is studying the Midwifery Act right now. I am extremely angered that the ministers are not here today and that the government House leader would simply table an announcement that was made at 10:30 this morning and not give us an appropriate opportunity to respond, as should be the case with respect for our parliamentary traditions. We want assurances from the government that this will not happen again.

HUNTING AND FISHING IN ALGONQUIN PARK

Mr McLean: I want to comment on the minister's announcement with regard to the draft agreement. The minister seems quite proud of his consultation record. However, the public has a different opinion of his consultation record and he has had very little public support, from what I have observed.

We have serious concerns about the draft hunting agreement with the Algonquins of Golden Lake which was made public last week. We are concerned that the government appears to be turning its back on its own commitment to public consultation. This document was released on October 8 and the public was asked to comment within 48 hours. Not only was the comment time extremely short,

it is also unlikely to have any effect on the process since the document was to have been signed today. It is already signed.

In spite of his comment that he did not anticipate major concerns because we have dealt with major concerns, conservation groups have found serious deficiencies in the document. In the short time frame the minister has allowed, how is it possible to deal with these questions?

"1. It is misleading to suggest that 100 moose will be taken throughout the whole land claim area. Since the east side of Algonquin has the highest concentration of moose in the area, and it is free of other hunting pressures on moose, it is realistic to assume that the moose will be taken in the park.

"2. Conservation is supposed to be the top priority of the agreement, but conservation is defined nowhere in the document, nor are we given any indication of how the numbers were determined" to ensure that conservation was being looked after.

"3. The provision in number 2 appears to promote open season on all species....

"4. Sections 6 and 17 imply that changes to laws and agreements regarding hunting may be made without public consultation.

"5. The use of 'may' in number 5 with respect to the co-ordinating committee does not inspire confidence in the committee's powers to review data and supervise proper implementation or enforcement.

"6. Although 'Algonquin law' is referred to as a basis for part of the agreement, it is never defined. How then is it possible to judge whether the provisions outlined in number 12 are adequate to ensure 'that conservation takes priority'?

"7. The hunting agreement conflicts with the minister's acceptance of the parks council's recommendations on increasing the nature reserves (largely on the east side of the park) and studying the feasibility of a large wilderness zone on the east side of the park. Both these undertakings are in direct conflict with hunting.

"8. There is evidence which indicates that any added pressure on the moose population within the park will place a strain on dependent species such as wolves.

"9. Use of cars and trucks 'off-road' is unofficially permitted by allowing their use for retrieving game.

"The Federation of Ontario Naturalists has publicly stated its support for a just settlement of the Algonquins' land claim outside the park. But they have also stated that the band should have a stake in the park's future by being enlisted to take an active role as stewards within the park.

"The hunting agreement is a violation of the minister's commitment and responsibility to the park. Algonquin's centennial is almost upon us. Let that year mark both a just and publicly negotiated settlement of the band's land claim."

There are no checks and balances in this agreement. The funds will be provided to enable the Algonquins to hire a person to be responsible for ensuring that the agreement is observed. It is a sellout of Algonquin Park.

INVESTIGATION INTO RELEASE OF DOCUMENTS

Mr Elston: On a point of privilege, Mr Speaker: I would like to indicate to the House that at 11:30 this morning I was visited by two officers from the Ontario Provincial Police, who are investigating the manner in which I received the spin document accompanying the release that the Treasurer had with respect to his cutbacks.

I feel this is an attempt to prevent me from doing fully the work I must do if I am to raise questions about the issues of the day. The two gentlemen who appeared took full pains to suggest it had been the Deputy Treasurer who was sending out the investigative unit from the anti-rackets group. This is the second member who has stood in this House with a document which came from inside the government, who has been visited by the OPP at the behest of a deputy minister, at least ostensibly so.

I suggest there is an attempt to prevent the release of documents, and perhaps that is how these people want to do it; that is, get the police after all of us who stand in the House to raise issues about important public business when we receive documents.

I was interested to have the document I received, a spin document, described as a government document. It is interesting to note that this spin document, a series of questions and answers that were then made widely available to people, was a government document scheduled, I am told not by the two officers but by others, to become the exclusive property of members of the government caucus as they were going out to spin the message that the perfect, tiny storyteller from Nickel Belt was trying to give us.

While I have no question about people wanting to deal with their own internal security, I find it unrealistic that the OPP is asked to investigate with respect to the members of the opposition coming into possession of documents that somebody believes would be of interest to the public.

These are interesting times. We have the release of Ministry of Labour material written in a manner which would be highly inflammatory to any reasonably unbiased mind, we have the information about the signature of the Minister of the Environment on a document which showed a new direction for her policies and now we have the spin document. In each case there are important public issues.

Why these people are using the police to come and talk to us to do the investigation is beyond me, but I feel there is a real attempt to prevent us from doing the public business. Mr Speaker, I think you should look into this and approach the chief government representative, the Premier, and ask him to explain to you, as Speaker and representative of all of us here, why the provincial police is dispatched to our offices at every release of a document to investigate that.

Even more than that, I suggest this is the type of abuse against minorities which is unacceptable in a democratic government. It is particularly important when put against the announcement of the Chairman of the Management Board of Cabinet, who released a paper on whistle-blowing. When he talks about wanting to have whistle-blowing covered under the guidelines and then we are

faced with OPP investigation after OPP investigation, I believe there is something out of whack.

1420

Hon Mr Cooke: Mr Speaker, I am sure you will want to look into this matter, but I point out to you and to the Leader of the Opposition that I think it is quite unfair for him to characterize this visit by the OPP to his office as some instruction from the minister or the politicians.

Interjections.

The Speaker: Order.

Hon Mr Cooke: The Ontario Provincial Police is obviously entitled to carry out an investigation. We do not instruct them how to carry out that investigation.

The Speaker: In response to the Leader of the Opposition, I appreciate the serious matter he has brought to my attention. Indeed, I will take the opportunity to look closely at this and will report back later.

ORAL QUESTIONS

FOOD BANKS

Mr Elston: I was doing a little reading not that long ago, which I do now and again. I like to go back to old Hansards, and particularly Hansards that deal with recitals by the then leader of the official opposition, the member for York South.

It was not that long ago that he was in this House asking us about food banks. This being a week when there is an extension on for the food banks in the province so that they can get enough food to cover the need that is now felt out in the community, I thought the Premier would want to tell us exactly what he is doing about food banks. I wonder whether he could tell us what specific plan his government has to relieve the need for food banks, bearing in mind that the new Minister of Community and Social Services has declared, as the government's first minister declared, that there was an end coming to food banks. I ask the Premier to tell us what his specific plan is for the elimination of food banks.

Hon Mr Rae: First, let me stress what we have already done and what we are doing. As of now, I believe it is fair to say we certainly have the highest social assistance rates anywhere in the country. We have done this in the face of a \$1.5-billion cutback from the federal government.

The former minister announced a \$215-million program to implement the Back on Track recommendations, of which \$50 million will be allocated to back-to-work initiatives, which include full recognition of child care costs in calculating net earnings, continued general welfare assistance eligibility for persons working full time but still in financial need, an increase in the percentage of earnings that recipients of general welfare and family benefits can retain, and a total of \$111.5 million to initiatives to provide assistance to those in greatest need.

Mr Elston: How are you eliminating food banks?

Hon Mr Rae: The member is shouting across to me, "How are you going to eliminate food banks?" I believe we are doing as much as can be done in the circumstances by providing for the most sustained support for people in

the greatest need in our province. There is always more that can be done with respect to providing assistance. We are now spending \$2 billion more than we were spending two years ago with respect to welfare assistance and there is always more to be done, but it is going to take the participation of all levels of government, including the federal government led by the Conservative Party of Canada, for us to be able to address this issue in the way we have to be able to address it.

Mrs McLeod: We appreciate and anticipated the recitation, although there are some things we do not know, such as what has actually happened with some of those programs. We understand, for example, that at least some \$10 million of the \$30-million back-to-work-initiative program is in Management Board and that those funds may not be released. The facts we do know are that there were almost one million people in this province on social assistance in September of this year, that food bank usage has grown by 44% and that the government's own statistics show there is a 42% increase in the number of people who receive social assistance who are using their food money to pay their rent bills.

I remind the Premier that last October after the election he renewed the government's commitment to tackle the food bank problem. I remind him too that in opposition his party had a one-year time frame to end the need for food banks. I ask the Premier to explain why, during a recession, when the need is the greatest, when the Premier himself has said the province would not fight the recession on the backs of the poor and the sick, his government sacrificed the election promise to end the need for food banks.

Hon Mr Rae: I have just done a head count and have asked the Minister of Municipal Affairs, the Chairman of Management Board and the Deputy Premier whether the \$10-million figure which the former minister has come up with is correct. It is my understanding that it is not correct. In fact, the funding which has been allocated in this budget for Back on Track is intended to proceed and is proceeding on track.

I do not expect a member of the Liberal Party to take note of this, but which government increased the minimum wage to the point where we now have the highest minimum wage anywhere in North America? It is the New Democratic Party government of Ontario. Which government has announced a \$32.5-million program for laid-off workers at a time when other governments have been cutting back and cutting us back? It is the New Democratic Party government of Ontario. Which government has announced a \$700-million anti-recession fund which is the largest capital works program of any government in Canada at this point, just as we are faced with billions of dollars in cutbacks from the federal government? It is the New Democratic Party government of Ontario. Not only have we done this, but we have increased social assistance rates higher than inflation, a 10% increase with respect to shelter allowances.

None of us in this House takes any joy in seeing what has happened to the economy this past year, but I ask the honourable member to tell us how much more money we

should spend in comparison with the money we have already been spending in dealing with the needs of people in need in this province.

Mrs McLeod: The Premier's rhetoric is not putting food into anybody's stomach. It is his government's responsibility to set the priorities for the dollars it has to spend. I simply make the point that the Premier at an earlier time said that hunger was an Ontario problem that his government would tackle.

We also acknowledge that the same Premier very recently presented a proposal to enshrine a social charter in the Constitution. I ask the Premier how he can reconcile the goal of that proposed social charter to reduce child and family poverty with his government's inability to act on its pledge to end the need for food banks, even though he has said this is a problem his government would tackle.

1430

Mrs Caplan: Rhetoric; it is all rhetoric.

Hon Mr Rae: The member for Oriole shouts "Rhetoric." Is \$175 million in a wage protection fund which is going to be passed by the House today rhetoric? I do not believe it is rhetoric; I believe it is action.

Interjections.

Hon Mr Rae: The member for St Catharines says, "What about food banks?" I say to the honourable member for St Catharines that the money we are putting in people's pockets today is going to make a difference, we believe, over time. It is not going to happen overnight. The hard reality is that in fighting this recession as hard as we have, yes, of course we have run up a deficit. Yes, we have; we confess to that. We have had a \$1.5-billion cut in Canada assistance plan payments alone from the federal government as we encounter this change. The fact of the matter is this government is putting more money into people's pockets than any government in the history of the province in terms of dealing with this recession.

RETAIL STORE HOURS

Mr Sorbara: I have a question for the Solicitor General. I remind the Solicitor General that we have just concluded the Thanksgiving weekend. For many there was precious little to be thankful about, and I think about the thousands of people who had to resort to the Premier's food banks in order to put a Thanksgiving meal on the table.

I want to remind the Solicitor General of the thousands and thousands of shopkeepers and retailers in this province for whom the Thanksgiving to Christmas shopping period is absolutely critical. He should know, now that he has been in his portfolio for a while, that most retailers expect to do a full third of their business during this very busy shopping season.

I want to tell him as well that retailing in Ontario has dropped by some 8.9%. The Solicitor General has an opportunity, not to solve all the problems of the retailers but to realize that his Sunday shopping bill is deadlocked in the standing committee on administration of justice. I want to ask if he will now realize that he could make a significant difference to one sector of this provincial economy by

introducing in that committee some amendments that would give more freedom to some retailers so they could simply stay above water and keep their businesses going during this very hectic period.

Hon Mr Pilkey: The government has of course presented itself at the clause-by-clause hearings. I have been present on each and every occasion where we wished to proceed with the amendments so that we might get the bill into the House to meet the various concerns. I continue to be available to do that. I invite the opposition to help us move along in this process because we are very concerned, with the passage of this bill, to ensure a common pause day and also add protection for retail workers in this province. As do all members of the committee and the government, I stand ready to proceed as soon as possible with this bill.

Mr Sorbara: We have absolutely no quarrel with the Solicitor General's provisions to protect retail workers in this province. We are all ad idem on that. They are not even his amendments; they are the amendments of the Minister of Labour and the Employment Standards Act, and that is not a problem.

The problem is that we went through a month of public hearings. We found that virtually no group or individual had anything good to say about the government bill. Some 75% of the people who spoke to the committee said they would favour a more flexible approach to who can and cannot buy and sell on Sunday.

After all that, the government introduces not one but two amendments that have nothing to do with the central issue. One amendment is entirely out of order and cannot come before the committee, and the other amendment is so patently unfair that it probably represents a violation of the Charter of Rights.

I just want to suggest, by way of supplementary, that the Solicitor General has an opportunity tomorrow in cabinet to take to his cabinet colleagues proposals to provide some bit of flexibility to this totally inflexible bill. Will the minister undertake, here in this House now, to bring forward some proposal or other to his cabinet colleagues so we can get out of this terrible logjam we are experiencing in the committee on this foolish bill?

Hon Mr Pilkey: This government introduced Bill 115 for first and second reading some time ago. The committee has gone across the province and has had input from a great number of citizens. We have presented ourselves at the clause-by-clause hearings on numerous occasions, all of which I have personally attended. We are anxious to proceed with this bill, and as soon as the opposition are prepared to join us in the speedy movement of it, we will accomplish it.

Quite frankly I have specific answers to the specific questions raised by the member opposite, and at the proper place and forum, which is in clause-by-clause, I am again willing to present myself in order to proceed as quickly as possible. I agree that every day that passes with respect to this bill and its non-passage creates some cause for concern in the minds of some. As soon as the opposition is prepared to proceed, I stand ready to do so as well.

Mr Sorbara: I could not give a whit about the minister's personal attendance at the committee when there is nothing to discuss.

Quebec has a common pause day in its Sunday shopping legislation, but even in that province there is an exception for the Christmas period. There is a provision in the Quebec law that gives storekeepers the right, if they so choose, to stay open from Thanksgiving until Christmas. It helps the retailing sector enormously and it helps the individual consumer enormously, because that is such a busy period of time.

I recall the Premier of this province saying that fighting the recession was going to be his number one priority. He could add to the fight a little bit, and the Solicitor General could add to the fight a little bit, by simply bringing forward an amendment which would allow those storekeepers who so wish to stay open during the Christmas period. If he were to do that, the logjam in the committee could end. We would not need his attendance and we could get through the bill in very short order.

I ask him once again: Will he undertake, here in this House today, to bring that amendment to his cabinet colleagues and fight like the devil for the retailers in this province who are looking for a little bit of help when they fight in a very difficult market?

Hon Mr Pilkey: I am very pleased to see the member opposite so eager to discuss Bill 115. As I suggested to him just a moment ago, we are equally eager to deal with that item. We are prepared to answer specific questions in the committee, and we look forward to meeting him there to do just that.

APPOINTMENTS REVIEW

Mr Runciman: My question is to the Premier. The United States Senate confirmation hearing concerning the nomination of Judge Clarence Thomas to the United States Supreme Court is, I am sure we agree, a most important event. While the process in the United States Senate may have been poorly managed, to say the least, the idea of fully reviewing appointments is right. I do not do this often, but I want to compliment the Premier for having introduced an improved process of review for appointments to agencies, boards and commissions in Ontario. However, it must also be recognized that our process still needs improvement.

Some of these appointments are paid for by all the people of Ontario. Surely all the people's representatives should have the right to say yes or no. Is the Premier now prepared to complete the job and make all appointments to agencies, boards and commissions subject to confirmation by the Legislature?

Hon Mr Rae: There are some practical considerations in regard to that in terms of the sheer numbers.

Mr Bradley: I hear a no.

Hon Mr Rae: The member for St Catharines again is shouting out. He is saying, "I hear no." He is not hearing "no." He should listen carefully to what I am saying.

I would say to the member for Leeds-Grenville that I look forward to some discussions with his leader and with

the Leader of the Opposition or among the House leaders with respect to how this process can be improved. I would say to the honourable member that there are some practical considerations and that we are prepared to look at it in a positive way. I would say to him that we are considering this, on our side, in the context of overall reform of the rules of the House. That is the way in which we would like to address this question, and we look upon it in that regard.

I appreciate the suggestions made by the member for Leeds-Grenville and I do not dismiss them lightly at all; in fact, I am not dismissing them at all.

1440

Mr Runciman: For the clarification of the Premier, I said "subject to review"; I did not necessarily say "review." In the United States there are something like 50,000 appointments subject to review by the US Senate, and obviously it does not review every one of those.

The standing committee on government agencies has proven, for all intents and purposes, to be nothing more than a rubber stamp for all appointments and reviews. We do not have the resources to investigate the background of appointees—

Interjection.

The Speaker: Order, the member for St George-St David.

Mr Runciman: We cannot call witnesses to appear before us, so in essence the committee has no real power. A good example of this is that each of the opposition parties had only 20 minutes to question Marc Eliesen, the government's appointment to chair Ontario Hydro. I do not think anyone, even the Premier, believes that anyone could determine in 20 minutes whether Mr Eliesen was competent to manage a \$7-billion enterprise, \$7 billion of public money spent each year. Is the Premier prepared to give this committee the expanded mandate it needs to properly do the job and fully review all appointments it considers?

Hon Mr Rae: I would just say to the member that the time they had to interview Mr Eliesen was 40 minutes more than we ever had in opposition, or indeed any opposition party had with respect to any Tory appointment for 42 years. Maybe that is worth pointing out.

I would say to the honourable member that I look forward to a discussion on these questions. I do not think it is unreasonable to say, in terms of the general reforms we would like to be able to make with respect to the House and the conduct of public business, that I see this as the context in which we are going to be having these discussions.

I take the member's views seriously. I would say to him that the effort we have made has been to allow people to be interviewed and questioned, and for there to be a fair consideration of the candidates who are put forward, recognizing that all processes in this regard are imperfect. We are of course always open to improvements or suggestions for improvements.

Mr Runciman: I guess from our point of view we would rather have no time at all than 20 minutes, which sends out a message to the public that these people are being appropriately reviewed, which is not the case. It sim-

ply is not the case. A year ago the Premier promised major changes to the appointments process. They are actually minor changes and they may end up becoming no changes. This was an important election promise the Premier made, one that Ontario residents clearly want him to keep.

Can the Premier tell us why he is running for cover on this issue—effectively that is what he is doing—and why he apparently is not prepared to take the principled stand Ontarians deserve and make it his government's principled stand?

Hon Mr Rae: If answering questions in question period and establishing a precedent for the House the way we did last year is running for cover, then the member and I have very different definitions of what running for cover is. We are very pleased with the suggestions. If the member is saying he would prefer to have no time, I gather the time allowed for Mr Eliesen's discussion was decided by the opposition itself. So I would say to the honourable member that we are quite opposed to his saying we are looking for cover. Not only are we not looking for cover, but we are delighted to have various appointments considered by the committee and that will continue to be the case.

I believe we have lived up to the commitment we made in the last election campaign. I believe we have lived up to the commitment we made in the last speech from the throne. As I say, it may not be up to the pristine standards of the member for Leeds-Grenville, but I do not recall him making speeches on this subject when he was Minister of Government Services in the Davis administration.

CONSTITUTIONAL REFORM

Mr Eves: I have a question of the Premier as well. The Premier is obviously aware of today's Toronto Star-CTV poll with respect to the federal constitutional proposals. I believe he shared his impressions of the poll results with the media this morning. I wonder if he would be so kind as to share those impressions with the members of the assembly.

Hon Mr Rae: When I come into the House or into the Legislature, sometimes I get interviewed by the media. I was asked this morning for my impressions of the poll, which I saw on television last night and had an opportunity to read in one of the Toronto newspapers, the Toronto Star, this morning.

My impressions are that there is considerable ground still for consensus in the country. I believe no one should be surprised about the fact that, first of all, there are a considerable number of people who are undecided, who have not yet expressed an opinion. I think it fair to say that a great many people across the country are preoccupied with other matters, and that is quite understandable given the state of the economy and the state of the country generally.

I am encouraged by the fact that there is still room for movement, I believe, and still room for dialogue and discussion across the country. That is the basis upon which I take what I have heard so far. That is the basis upon which I responded this morning.

Mr Eves: One question the media addressed to the Premier this morning had to do with the entrenchment of

property rights in the Constitution. Apparently the Premier was not quite as forthcoming or willing to expound upon the results of the Star-CTV poll with respect to that issue. I wonder if he might share not only with the members of the media but with the people of Ontario and the members of this assembly what his thoughts are on that matter.

Mr Scott: How much dialogue are you going to tolerate on that, Bob?

Hon Mr Rae: The member for St George-St David is shouting out to me and asking how much dialogue we will have on that. I think we will have a great deal of dialogue on that. I look—

Mr Scott: I know how you feel already. You are not going to change your mind.

The Speaker: Order.

Hon Mr Rae: I look forward to hearing from the honourable member for St George-St David on this question.

Mr Scott: I know where I stand. Where do you stand on it?

Hon Mr Rae: I appreciate the comments he is making.

The Speaker: It was the member for Parry Sound who asked a question, but we will have a rotation of opportunities. Perhaps the Premier could respond to the member for Parry Sound.

Hon Mr Rae: I would say to the honourable member that with respect to the question of property rights, I look forward to hearing the views of people across the country, from a variety of groups with respect to its impact.

Last week I spoke with Premier Ghiz, who expressed his very strong concerns to me about the impact that the clause would have on Prince Edward Island. There has been a very strong traditional opposition to that. I have heard from Peter Lougheed, who expressed a similar concern to me last week when I met with him on Thursday.

There are a number of issues that need to be looked at in that regard, but of course the protection of people's civil liberties, the respect for people's rights of ownership are a very important part of the Canadian tradition. How exactly we deal with it in a constitutional sense still needs to be determined.

Mr Eves: The Premier has enunciated on several occasions that he is certainly in favour of entrenching a social charter in the Constitution of the country. The Star-CTV poll points out that 80%, I believe, of Ontarians would be in favour of such entrenchment and 12% would be opposed. The same poll says that 65% of Ontarians are in favour of entrenching property rights and the same percentage, 12%, are opposed.

I believe it is the Premier's responsibility as the first minister of this province to take both of those suggestions and proposals, along with others the overwhelming majority of Ontarians believe in, to the constitutional bargaining table and the negotiating process. He indicates that he has talked to other premiers about the entrenchment of property rights. We know he has talked to other premiers about the entrenchment of the social charter. Does he not agree that it is his responsibility to take all those matters, including the entrenchment of property rights, the social charter

and other things that it was indicated Ontarians are in favour of, to the negotiating process?

1450

Hon Mr Rae: I think I have a responsibility to participate and to listen carefully to what people are saying. As I said to the honourable member with respect to the poll generally, obviously it is a factor one takes into account and an important one.

The point I made last week and tried to make in two speeches I have given over the last two weeks is that the creation of a strong and effective social and economic union for Canada is a very important objective of this government. The symmetry I see is between the creation of an economic union and the recognition of the social obligations we have to one another as well. That is a very important symmetry.

I would invite the honourable member to discuss with other members of his provincial party, with colleagues across the country, premiers and others the particular items he has raised, because I think he may be surprised by the variety of opinions he hears on that subject.

SALARY OF ONTARIO HYDRO CHAIRMAN

Mr Conway: My question is also to the Premier. I think the Premier can appreciate in these very difficult recessionary times that the farmers and loggers of my part of eastern Ontario are facing some very difficult economic times, some of the worst times in living memory.

Those same farmers and loggers were told a few months ago by the new chairman of Ontario Hydro that their hydro rates would be increasing by not less than 44% over the next three years. Those farmers and loggers have also been reading in the press that the newly appointed chairman of Ontario Hydro has asked for a salary of \$400,000 a year and a pension apparently of some 75% after six years.

Having regard to all the problems the Premier faces—and I am sympathetic to the problems of food banks and trying to moderate particularly the wage demands in the public and the private sectors in this province—I ask the Premier, and the Premier only, because Marc Eliesen is his friend and his appointment, to confirm that Marc Eliesen has asked for and is receiving a salary in the range of \$400,000, which would represent something like a 300% increase from what he was earning just months ago as Deputy Minister of Energy.

Hon Mr Rae: The Minister of Energy is itching to answer this question.

Hon Mr Ferguson: I am glad the member raised this question, because I think it is time we clear the air. The member will know that the Liberal appointee who was the chair of Hydro did not earn \$400,000 a year; that individual did not earn \$450,000 a year; in fact that individual did not earn \$500,000 a year. They kept from the public that their appointee earned \$540,000 a year.

I can tell by the look on the Speaker's face that he must be asking himself, with two weeks' vacation and assuming a 4% vacation rate, how did this individual survive two

weeks on over \$20,000 for vacation pay? I have asked that myself. That is the answer to the question.

Mr Conway: I want to say that what we just saw from the Premier was what I would call guilt-edged, silver-stock-ing hypocrisy because he has the nerve to ask members of the Legislature and public servants to tighten their belts while at the same time he has appointed his alter ego, his good friend Marc Eliesen, at a salary of some \$400,000. They have turned one job that Bob Franklin held at roughly \$400,000 into three jobs that will be a total of some three quarters of a million dollars.

How can the Premier expect to have any credibility when those loggers and farmers I represent say to me, "How can this government and you as a member of the Legislature ask me to conserve and pay more than 45% more over three years for something as vital as my electrical bill, which is absolutely essential to my farm and my lumber business"—to name but two resource economies that are in dire straits—

The Speaker: Would the member conclude his question, please.

Mr Conway: —"when at the same time I read in the paper that Marc Eliesen, the Premier's good friend, goes from a salary of \$125,000 approximately to \$400,000, plus pension benefits that are absolutely unbelievable?"

Does the Premier, as the leader of this government, not feel that it is one thing to make the speech in Honey Harbour asking us to pull in our belts, but it is another thing and it is perfectly obscene to—

The Speaker: The question has been placed. Would the member take his seat, please.

Hon Mr Ferguson: What the member should know is that today, October 15, Mr Eliesen is not earning \$400,000; he is earning his deputy minister's salary. All the Hydro jurisdictions across North America, the boards of directors of each utility, decide the salary of the chief executive officer.

Interjections.

The Speaker: Order. If a question is asked, we must assume that the person asking would like to hear a response. Has the minister concluded his remarks?

Hon Mr Ferguson: Recognizing that it is a large amount of money and that it is not only that salary but the salary of many other individuals at Hydro that ought to be examined, I will be asking the Ontario Energy Board to do a review of all the salaries of the executives at Ontario Hydro.

POLITICAL ACTIVITY BY POLICE OFFICERS

Mr Runciman: My question is for the Solicitor General. On October 3, the Solicitor General announced a new regulation that he assured us would guarantee political rights of municipal police officers and ensure fairness.

In response to that contention, I would like to raise the issue of Bill Hallett, a first-class constable in Brockville, who resides in the neighbouring rural township of Elizabethtown and for the past three years has served on the municipal council for the township. He has filed his papers to run for deputy reeve but, under the minister's

new regulation, if elected, he has to give up a \$46,000-a-year job for a \$6,000-a-year job—not very realistic.

Can the minister advise us how his new regulation in Constable Hallett's case ensures fairness and guarantees Constable Hallett's political rights?

Hon Mr Pilkey: I cannot speak on individual cases, but I remind all members of the House that the regulation brought in under the Police Services Amendment Act, 1991, was brought in by the government with the support of the Ontario Association of Chiefs of Police, the Police Association of Ontario and the Police Services Board of Ontario. These political activity rights, which were approved, gave police in this province a wide variety of political rights and activities in which they might participate.

This particular amendment we brought in allows officers to be involved in political office under certain limitations. The fact that there is some particular difficulty in a given circumstance—I am not totally aware of those details except to say that I believe the legislation allows people to run, does not prohibit them, if they can meet the criteria established and approved by all stakeholders.

Mr Runciman: This minister's answers are not very satisfying to most people across the province, neither to the question he had earlier nor to this one.

This is not an isolated case. My colleague the member for Wellington today drew to my attention the case of Andy Knetsch who is a councillor in the village of Drayton. He is a member of the Waterloo region police, serves his community well and receives very little remuneration for his efforts, effectively donating his services.

1500

The policy the minister is defending here today is essentially one drafted for the big bucks environment of Metro Toronto and is yet another example of this government's virtual ignorance of small-town and rural Ontario. This regulation effectively excludes small-town and rural police officers from getting politically involved in their communities. In essence, they have taken away a fundamental right and freedom that constables Hallett and Knetsch exercised as councillors for the past three years.

In the spirit of fairness that the minister talked about in his October 3 statement, will he commit himself today to immediate cancellation of the elements of the regulation that clearly discriminate against policemen and police-women in rural Ontario?

Hon Mr Pilkey: As I indicated, these rights were totally supported by all the representative organizations. They really provided the widest range of political rights ever given in this province. Quite frankly, we did have one caveat with respect to these regulations that were passed, and that was that the police service must remain impartial and neutral. We believe, short of the collection of funds, which was one restriction, that these bills allowed everyone to run on the conditions that were outlined under the act. They prevented no one.

VISITOR

The Speaker: This might be an appropriate moment for the members of the House to welcome to our midst,

seated in the members' east gallery, the Honourable Luigi Sandirocco, a member of the Italian Parliament.

INTERNATIONAL TRADE

Mr Mills: My question is for the Minister of Industry, Trade and Technology. There have been a number of articles in the newspaper recently on the GATT trade talks and their possible effects on Canadian agriculture. Will producers of milk, eggs and poultry in my riding of Durham East and across the province be able to continue to operate a viable supply management system following the conclusion of the multilateral trade negotiations?

Hon Mr Philip: Ontario fully supports the balanced position Canada has put forward in the agricultural negotiations, which includes the strengthening and clarification of article XI, dealing with the rules governing the operation of supply management systems. This aim is especially important if supply management is to remain an effective part of our agricultural farming.

Mr Mills: Will provincial agriculture support programs in Ontario have to be reduced as a result of the multilateral trade negotiations?

Hon Mr Philip: We do not expect that the provincial agricultural support programs will have to be cut. Any commitments made by the federal government resulting from an agricultural agreement will apply only to the federal programs and expenditures, and my colleague the Minister of Agriculture of Food has asked that consultations be initiated on how Canada's reduction commitments can be translated into cuts to specific programs. We are concerned that the federal government not use these trade talks as an excuse to cut its program spending, and we are certainly expressing that concern to the federal government.

USE OF COURIER SERVICES

Mr Scott: The Premier is always complaining that he cannot find any money for food banks. I want to make a suggestion to his government.

On October 10, I received a copy of a letter from the Minister of Citizenship to a group in my constituency, announcing a grant. The letter was nothing more than a copy of the original announcement. It was not to me, it was not personal and it was not urgent. Indeed, it arrived some 10 days after its date. The interesting thing about the letter is that thousands of these go out every year, and apparently the minister has made a decision not to use the government mail or Canada Post, at 39 cents a letter, but instead to use a private direct courier, who came to my office in this building, which costs between \$5 and \$7 a pop, if honourable members want to know.

It seems to me that a government that is mewing all the time about its expenses and that does not have any money for food banks would not want to extend this wasteful practice. I want to ask the Minister of Government Services if he has given a directive to any ministers on the use of cabinet couriers, and in particular whether he condones the practice of the Minister of Citizenship in delivering this form letter by courier to me.

Hon F. Wilson: I will take appropriate action on this matter.

Mr Scott: As the question has not been answered, I simply draw to the minister's attention—he must be aware of this; he has been a minister, unlike some of his colleagues, for several months now—that the extent to which courier service is being used by this government is absolutely unbelievable.

The Ministry of Correctional Services increased by almost \$500,000 the expenditure on couriers this year over last year. I am ashamed to say the Ministry of the Attorney General is up 44% and the Ministry of the Environment, no doubt sending missives by courier that projects will be exempted from assessment, is up 51%. Members will be interested to hear that this is not peanuts. One courier firm alone, Purolator, billed the government last year for almost \$4 million.

Can the minister come clean, admit he is in charge of this use of courier services, which is the responsibility of Government Services, and tell this House first of all what he estimates the government will spend this year on private courier services and how he is going to explain the really extraordinary increases, between 25% and 40%, that have occurred over the last 12 months?

Hon F. Wilson: This use of private couriers and courier services stretches back to a former regime and is under review at this time. I will get back to the member with the appropriate answer.

NIAGARA ESCARPMENT

Mr B. Murdoch: I have a question to the Minister of the Environment. She was quoted in last week's Kitchener-Waterloo Record as saying that if she was aware that the Niagara Escarpment Commission members, with whom she met in June, were formulating their recommendations on the five-year plan, she was not conscious of it. Yet she stated that she asked for a social evening to avoid discussion of the plan. She is sending out mixed signals. Which way does she want to have it? Is she in charge or is she not?

Hon Mrs Grier: I am in charge.

In response to that, I think what the member is trying to elicit is the position I have taken on the review of the Niagara Escarpment plan. That is a five-year review provided for in the legislation, and it is not appropriate, nor have I taken any position or any part in the discussions of that review. When the review is completed, it will be submitted to hearing officers. Those hearing officers are currently having hearings and then the report will be submitted to me.

Mr B. Murdoch: The minister claims to be impartial in this issue. She claims in the media that she is only one in 1,000, but she is the minister; she is the one who will make the decision. To avoid any conflict of interest, other ministers have removed themselves from the issue. As I see it, she has three options with this plan: (1) she could sell her property on the Niagara Escarpment, (2) she could move the Niagara Escarpment plan to the Minister of Municipal Affairs where it should be, (3) she can resign as the Minister of the Environment. Which will it be?

Hon Mrs Grier: The question was relating to the review of the Niagara Escarpment plan, and the member is incorrect. The decision at the end of that process will not be made by me; it will be made by cabinet.

1510

BORDER COMMUNITIES ASSISTANCE FUND

Ms Harrington: My question is to the Minister of Industry, Trade and Technology. We all know cross-border shopping is a significant drain on the economy of Ontario, and in fact of Niagara Falls. Agreements were reached last July to try to alleviate this problem—

Interjections.

The Speaker: I would like to avoid members having to courier their questions. I would like to be able to hear the questions.

Ms Harrington: Thank you, Mr Speaker. Agreements were reached last July to try and alleviate this problem, in conjunction with the municipalities and with local business groups, such as the chambers of commerce. The Ministry of Industry, Trade and Technology announced in September a procedure for communities to access some provincial funds, and for Niagara Falls, \$50,000 was earmarked. This past weekend I had people in my riding come to me with different proposals to access these funds. Can the minister please tell this House what the funding is for and to whom people should be going with their proposals?

Hon Mr Philip: The border community assistance fund has been established to finance local community initiatives, such as service excellence programs, community awareness campaigns and campaigns targeted at specific consumers and local retail marketing groups. I can tell the member that communities must form a committee consisting of representatives from local government, business, labour council and consumer groups, and after that, then locally planned proposals will be formed and funding will be forthcoming.

Ms Harrington: Who will actually be making the decisions on this funding?

Hon Mr Philip: Once the community's committee has been formed, it will be making the proposals. These proposals will be proposed by the local community, and those decisions will be made at that time.

PAY EQUITY

Ms Poole: My question is for the Minister of Labour. On December 18, 1990, the minister announced in this very House that he planned to extend the benefits of Ontario's pay equity legislation to a further 420,000 women, such as child care workers, who were in predominantly female establishments. The minister said he was going to introduce this legislation in the spring session and was going to add two new methods for making job comparisons: the proportional value method and also the proxy method.

The minister did not introduce the legislation as promised. Instead, it was a stall job and all we saw in February was another discussion paper.

In the past, the NDP was very clear about its commitment to building reforms to assist women such as underpaid child care workers, but this minister continues to stall. We are now in mid-October, with no legislation in sight. Why does this minister not just admit that with the loss of the member for Scarborough West, the member for St Andrew-St Patrick and the demotion of the member for Sudbury East, the NDP's much-vaunted women's caucus has collapsed? Why does he not just admit that without them there to prod him, this minister is not going to produce what he promised on pay equity?

Hon Mr Mackenzie: I want to assure the member that the women's caucus in this party of ours has not collapsed and that we will have legislation there.

Ms Poole: Somehow the minister's answer gives me absolutely no reassurance. He says we are going to have pay equity. When are we going to have the extension of pay equity that he promised? Is it this year? Is it next year? Three, four, five years? Is it going to be during their term at all?

The irony is that the Treasurer released a statement just a few weeks ago in which he said very proudly that they were going to save \$50 million as a result of delay in passing legislation on proportional value pay equity. I want the minister to confirm for us in this House today: Is the government still committed to passing legislation relating to proportional value and to the proxy method, and if so, can he tell us what is his new deadline for passing this legislation?

Hon Mr Mackenzie: We are committed to passing the legislation for pay equity when we have the right approach to it, and that is what we are looking at right now.

TECHNOLOGICAL TRAINING

Mrs Cunningham: My question is for the new Minister of Education. I congratulate the minister and advise him that I am looking forward to working with him as I did the previous minister, my colleague the member for London Centre.

Two weeks ago I met with Mr Kevin McKittrick, the chairperson of the London Industrial Training Board, many members of that board and Mr John Jarrel, vice-president of General Motors. They were concerned, as we all are, that our education system is not producing the number of technically trained workers that Ontario industry requires now and will require in the future.

The minister is aware that 27% to 30% of our young people drop out of secondary school. They tell us they do not feel the curriculum is relevant. As the new Minister of Education, working with his colleague the Minister of Skills Development, who is also the the Minister of Colleges and Universities, will he quickly develop a long-term strategy to train our young people in both technical education and apprenticeship school programs in secondary schools in Ontario?

Hon Mr Silipo: I thank the member opposite for her good wishes and also look forward to working with her. I followed with some interest, as she can well imagine, the questions she put to my predecessor over the last number

of months on various issues related to education. Members will appreciate the fact that I obviously have not had an opportunity to get very much into any of the issues that will concern me as Minister of Education, but let me say equally strongly that the issues the member has raised—dropouts and the relevancy of the curriculum to our young people—are things that I know a little bit about and that concern me a great deal.

I certainly hope to be a minister who becomes very active in those areas and in the other areas the member mentioned, particularly with respect to skills training. There is a great deal we need to do, and can indeed do, to make sure our school system does prepare our young people for the myriad challenges they will face in the world. There is a great deal that is already under way, a lot of good things that are happening, but there is certainly a lot of room for us to improve. I look forward to being, I hope, a positively aggressive minister in that area.

Mrs Cunningham: Positive aggressiveness is what is really needed in this province, especially when it comes to training young people. Over the last decade we have seen little movement on the part of co-operative education programs. They have increased by 33%, but that is not enough. The number of students is irrelevant. We have been taking a look at SWAP; that is, the school-workplace apprenticeship program. As I take a look at the numbers, even in the board the minister represented, he will know we have something like 42 students involved in the Toronto public and separate school boards, with one registered apprentice. We are making no headway. It has been going on for 10 years.

I would like this minister to stand today and say that, at least for him, it will not sit on the back burner for the next decade but will be up there as a priority for education of young people, along with training programs, apprenticeship programs and our competitiveness in the global marketplace for Ontario now, for this government now.

Mr Eves: Tony will have this solved by next week.

Hon Mr Silipo: I do not think I will have this resolved by next week, as one of the members opposite indicated, but I will try. Let me make this as clear as I can: I remember in one of my previous incarnations, as a trustee on the Toronto Board of Education, advocating very strongly for the action a previous minister from the Conservative Party was not taking in this area of co-operative education. I do not need to be convinced of the merits of the argument that was made.

Mrs Cunningham: What about the Liberals?

Hon Mr Silipo: Yes, I did not see as much action under the Liberal government. The member is quite right.

The Speaker: Order.

Hon Mr Silipo: This is an issue that concerns us all. It is an issue that my predecessor, the member for London Centre, was also quite interested in. It is something I am very interested in and I will do my utmost to ensure that it becomes and continues to be a priority for this government.

1520

CONSERVATION

Mr Johnson: My question is for the Minister of Natural Resources. I am aware that there has been an ongoing review of the conservation authorities program over the last year. One of the issues scheduled to be discussed was provincial appointments. I recall that last year a number of these appointments were extended for one year while the liaison committee reviewed the process for making appointments. What will be the process for this year?

Hon Mr Wildman: Two weeks ago I met with the liaison committee to finalize the consensus we had reached on how appointments to conservation authorities should be made. The member will be pleased to know we have agreed to proceed with the appointments for next year. In September, advertisements were placed in newspapers across the province inviting residents of the watershed for a particular conservation authority to apply and indicate their interest in being a provincial appointee to the conservation authority. We have had an excellent response from interested individuals and I will be happy to report further when we are able to make the appointments, before January.

Mr Johnson: I assure the minister there are many interested parties in my constituency who would like to sit on conservation authorities. I will encourage them to get involved.

My supplementary follows up on another item the liaison committee has been looking at, the all-important issue of funding. Throughout the 1980s, the ministry, municipalities and authorities have struggled through numerous reviews and yet the issue of funding is still outstanding. The constituents in my riding of Prince Edward-Lennox-South Hastings would like to know whether there has been any progress on this front.

Hon Mr Wildman: The member is quite correct in pointing out that over the last few years there have been a number of reviews and studies done on the conservation authorities program and the funding and the mandate for the conservation authorities. There was the Bugar report and then the Ballinger report. They led to a lot of concern and problems. Conservation authorities did not really agree with some of the proposals made.

The liaison committee has been working very diligently with the Association of Conservation Authorities of Ontario and the Association of Municipalities of Ontario, along with the ministry. We have not quite finalized the arrangements with regard to funding, but we are very close. We have made very good progress. At the meeting two weeks ago we agreed to meet again on October 23 to consult and review the ideas and options put forward. I look forward to a swift completion of the agreement and to finalizing the agreement so that we will know exactly what the funding will be in order to ensure that the conservation authorities will be able to meet their mandate. I will be happy to report to the House when we make progress.

GARBAGE DISPOSAL

Mr McClelland: I think it appropriate that my question go to the Minister of the Environment. I think the Minister of Natural Resources has learned from the former Minister of the Environment about running down the clock.

The Minister of the Environment will know about recent press reports that indicate there has been illegal dumping on the Six Nations reserve near Brantford. In my view and in the view of many, that one incident is merely an indication of what is happening right across the province. An official in the ministry's Toronto west district said: "There's a tremendous amount of illegal dumping going on and there's going to be a lot more. The amount keeps growing."

The minister has known about this problem for several months. She knows there is a potential health risk, particularly when biomedical waste is involved. What is the minister doing to end that problem and deal with that problem?

Also, the minister will be aware there is a tremendous amount of dumping outside the province. She knows it has been going on for some time. Up to 500,000 tons of waste are being dumped stateside. It is disturbing to realize that the minister has allowed a method of diversion to contribute to her reduction. The gap between the minister's rhetoric and what is taking place really astounds me, particularly given the strong position she took last April, demanding that the regions within the GTA dispose of their waste within their own boundaries.

What is the minister doing with respect to existing landfill sites that are not being used appropriately? Illegal dumping is taking place. There are illegal dumps. In addition to that, the minister knows a tremendous volume of waste is being dumped in the United States. How is the minister going to address that?

Hon Mrs Grier: I think the question is, what am I doing about illegal dumping? I assure the member I am very concerned about that. I agree with him that there has been a growth in illegal dumping. It has occurred because of changes in tipping fees that have taken place, without any commensurate increase in the ability of people to find sources that can reuse the material being dumped in landfill sites.

What we have done, and what I am very proud we have been able to do, is begin to put in place an integrated waste management system in this province, a system that relies on reduction and reuse and that puts in place the infrastructure where we can begin to reuse those materials that have hitherto been considered as waste, as garbage to be landfilled.

With respect to specific incidents—the member refers to an unfortunate one recently on the Six Nations reserve—my investigations and enforcement branch is attempting to find whatever evidence there is as to the source of that material. We will investigate and take whatever action we can to make sure those particular incidents do not recur.

NEWSPAPER REPORT

Mr White: Mr Speaker, I rise on a point of personal privilege. There has been a report recently in a Toronto tabloid alleging that I have called for air-conditioning in this building. That is not at all true. The building of course falls under your jurisdiction.

The report further goes on to indicate that an air-conditioner fell out of a press office on the fourth floor on to my car. I and many members of the government have suffered gratuitous attacks from the press. This is not one of them. My car, although 12 years old and much abused, was not abused by an air-conditioner. The reporter involved states that a maintenance worker lost his grip. The reporter involved obviously lost his grip, because he is reporting something which has no basis whatsoever in fact. My car, though abused, was not abused by that air-conditioner.

The Speaker: I am not sure who is losing his grip. Thank you. I appreciate the point of privilege raised.

PETITIONS

OATH OF ALLEGIANCE

Mr J. Wilson: It is a privilege to present a petition to the Legislature of Ontario that reads as follows:

"Whereas the Queen of Canada has long been a symbol of national unity for Canadians from all walks of life and from all ethnic backgrounds;

"Whereas the people of Canada are currently facing a constitutional crisis which could potentially result in the breakup of the federation and are in need of unifying symbols,

"We, the undersigned, respectfully petition the Legislative Assembly of Ontario to restore the oath to the Queen for Ontario's police officers."

This petition is signed by a number of good residents of Loretto, Tottenham and the township of Adjala and my grandmother, Mrs Mary Wilson. I will continue to bring this petition to the Legislature until this government changes its mind on this issue.

Mr Beer: I have a petition from the Niagara South Young Liberals Club. It reads as follows:

"To the Legislative Assembly of Ontario:

"Whereas Her Majesty the Queen, at her coronation in 1953, took a personal oath to the people of Canada, and Canadians have always reciprocated with oaths of allegiance and service to the person of the sovereign;

"Whereas it is our right and duty to take oaths of allegiance in service in such form;

"Whereas Ontario Regulation 144/91 made under the Police Services Act, 1990, denies Ontarians this right,

"We, the undersigned residents of Ontario, loyal to Her Majesty Queen Elizabeth II, Queen of Canada, petition the Legislative Assembly of Ontario to resolve that His Honour the Lieutenant Governor in Council be requested to revoke Ontario Regulation 144/91 and restore the traditional oath of service to Her Majesty for police personnel in Ontario."

This is signed by some 100 members of the Niagara South Young Liberals Club. I affix my signature thereto.

TOBACCO TAXES

Mr Carr: I have a petition to the Legislative Assembly of Ontario:

"Whereas the present high levels of taxes on tobacco products are excessive and contrary to the interests of Ontario's two million smokers; and

"Whereas high tobacco taxes are contributing to retail theft and to our province's cross-border shopping crisis; and

"Whereas these punitive taxes and resulting lost sales are contributing to inflation as well as costing jobs in Ontario; and

"Whereas high cigarette taxes are regressive and unfair to low- and modest-income citizens,

"We, the undersigned, petition the Legislative Assembly of Ontario as follows:

"That Ontario's tobacco taxes should not be increased in 1991, and further, that these taxes should be repealed and a new lower and fairer tax be introduced."

1530

OATH OF ALLEGIANCE

Mrs McLeod: I have a petition signed by a number of residents of Ontario:

"To the Legislative Assembly of Ontario:

"Whereas Her Majesty the Queen, at her coronation in 1953, took a personal oath to the people of Canada, and Canadians have always reciprocated with oaths of allegiance and service to the person of the sovereign; and

"Whereas it is our right and duty to take oaths of allegiance and service in such form; and

"Whereas Ontario regulation 144/91, made under the Police Services Act, 1990, denies Ontarians this right,

"We, the undersigned residents of Ontario, loyal to Her Majesty Queen Elizabeth II, Queen of Canada, petition the Legislative Assembly of Ontario to resolve that His Honour the Lieutenant Governor in Council be requested to revoke Ontario regulation 144/91 and restore the traditional oath of service to Her Majesty for police personnel in Ontario."

TOBACCO TAXES

Mrs Cunningham: I have a petition that is signed by 1,247 people from across Ontario which reads as follows:

"We, the undersigned, petition the Legislative Assembly of Ontario as follows:

"Whereas the present high levels of taxes on tobacco products are excessive and contrary to the interests of Ontario's two million smokers; and

"Whereas high tobacco taxes are contributing to retail theft and to our province's cross-border shopping crisis; and

"Whereas these punitive taxes and resulting lost sales are contributing to inflation as well as costing jobs in Ontario; and

"Whereas high cigarette taxes are regressive and unfair to low and modest-income citizens,

"We, the undersigned, petition the Legislative Assembly of Ontario as follows:

"That Ontario's tobacco taxes should not be increased in 1991, and further, that these taxes should be repealed and a new lower and fairer tax be introduced."

I have signed my name to this petition.

INTRODUCTION OF BILLS

CITY OF TORONTO ACT, 1991

Mr Marchese moved first reading of Bill Pr80, An Act respecting the City of Toronto.

Motion agreed to.

CITY OF TORONTO ACT, 1991

Mr Marchese moved first reading of Bill Pr86, An Act respecting the City of Toronto.

Motion agreed to.

ORDERS OF THE DAY

House in committee of the whole.

La Chambre en comité plénier.

EMPLOYMENT STANDARDS AMENDMENT ACT
(EMPLOYEE WAGE PROTECTION PROGRAM), 1991

LOI DE 1991

MODIFIANT LA LOI SUR LES NORMES D'EMPLOI
(PROGRAMME DE PROTECTION
DES SALAIRES DES EMPLOYÉS)

Resuming consideration of Bill 70, An Act to amend the Employment Standards Act to provide for an Employee Wage Protection Program and to make certain other amendments.

Suite du débat ajourné sur le projet de loi 70, Loi portant modification de la Loi sur les normes d'emploi par création d'un Programme de protection des salaires des employés et par adoption de certaines autres modifications.

The Chair: Pursuant to the order of the committee of the whole House on Thursday, October 10, I call in the members for the deferred divisions on Bill 70. I remind members that this is a 10-minute bell.

1545

The committee divided on sections 1 to 4, inclusive, which were agreed to on the following vote:

Les articles 1 à 4, inclusivement, mis aux voix, sont adoptés :

Ayes/pour 85; nays/contre 16.

Sections 1 to 4, inclusive, agreed to.

The committee divided on Mrs Witmer's first amendment to section 5, which was negatived on the same vote reversed.

The committee divided on Mr Offer's first amendment to section 5, which was negatived on the following vote:

Ayes 35; nays 66.

The committee divided on Mrs Witmer's second amendment to section 5, which was negatived on the following vote:

Ayes 16; nays 85.

The committee divided on Mr Offer's second amendment to section 5, which was negatived on the following vote:

Ayes 35; nays 66.

The committee divided on Mrs Witmer's third amendment to section 5, which was negatived on the following vote:

Ayes 16; nays 85.

The committee divided on whether section 5 should stand as part of the bill, which was agreed to on the following vote:

La motion pour l'adoption de l'article 5, mise aux voix, est adoptée.

Ayes/pour 85; nays/contre 16.

Section 5 agreed to.

L'article 5 est adopté.

The committee divided on Mr Offer's first amendment to section 6, which was negated on the following vote:

Ayes 35; nays 66.

The committee divided on Mr Offer's second amendment to section 6, which was negated on the same vote.

The committee divided on Mr Offer's third amendment to section 6, which was negated on the same vote.

The House divided on whether section 6 should stand as part of the bill, which was agreed to on the following vote:

Ayes 85; nays 16.

Section 6 agreed to.

L'article 6 est adopté.

Sections 7 to 15, inclusive, agreed to.

Les articles 7 à 15, inclusivement, sont adoptés.

The House divided on Mr Offer's amendment to section 16, which was negated on the following vote:

Ayes 35; nays 66.

The House divided on whether section 16 should stand as part of the bill, which was agreed to on the following vote:

La motion pour l'adoption de l'article 16 est adoptée.

Ayes/pour 85; nays/contre 16.

Section 16 agreed to.

L'article 16 est adopté.

The House divided on Mr Sterling's amendment to section 17, which was negated on the following vote:

Ayes 16; nays 85.

The House divided on whether section 17 should stand as part of the bill, which was agreed to on the same vote reversed.

La motion pour l'adoption de l'article 17 est adoptée.

Section 17 agreed to.

L'article 17 est adopté.

The committee divided on Mr Arnott's amendment to add section 17a, which was negated on the following vote:

La motion pour l'adoption de l'article 17a est rejetée.

Ayes/pour 16; nays/contre 85.

The committee divided on whether the bill should be reported to the House, which was agreed to on the same vote reversed.

Bill ordered to be reported.

Le projet de loi devra fait l'objet d'un rapport.

On motion by Mr Cooke, the committee of the whole House reported one bill without amendment.

À la suite d'une motion présentée par M. Cooke, le comité plénier de la Chambre fait rapport d'un projet de loi sans amendement.

EMPLOYMENT STANDARDS AMENDMENT ACT
(EMPLOYEE WAGE PROTECTION PROGRAM), 1991

LOI DE 1991

MODIFIANT LA LOI SUR LES NORMES D'EMPLOI
PROGRAMME DE PROTECTION
DES SALAIRES DES EMPLOYÉS)

Mr Mackenzie moved third reading of Bill 70, An Act to amend the Employment Standards Act to provide for an Employee Wage Protection Program and to make certain other amendments.

M. Mackenzie propose la troisième lecture du projet de loi 70, Loi portant modification de la Loi sur les normes d'emploi par création d'un Programme de protection des salaires des employés et par adoption de certaines autres modifications.

Hon Mr Mackenzie: The detailed analysis of Bill 70 by this House sitting as the committee of the whole is now completed. When it is passed, Bill 70 will establish the employee wage protection program. I can tell members I am proud to have been the Minister of Labour who has introduced and shepherded Bill 70 through the House and through the standing committee on resources development, where the parliamentary assistant played the major role.

The employee wage protection program, which has received great praise from all corners, is designed to protect workers by helping them recover unpaid wages. Current bankruptcy laws in Canada consign workers to the level of unsecured creditors, which means they are usually among the last in line to collect when their employer is bankrupt or insolvent. Bill 70 has been designed to address this unfairness. Once it is in operation, the employee wage protection program will provide a statutory mechanism to allow workers to collect money they have worked for in good faith and are unable to recover through other means.

There are many workers in Ontario who have become victims of their employers' failure to pay, mostly due to the effects of the current recession. Last October the Premier announced the government's intention to establish the employee wage protection program. Since then the employment standards branch of my ministry has received more than 17,000 claims for compensation for wages owing. These 17,000 people are relying on us to help them recover the money that is rightfully theirs. They must rely on us because they have no other alternative.

1600

A few weeks ago the standing committee on resources development reported back to the House on its hearings into Bill 70. The report included amendments that the government had put forward to address some concerns voiced by business and the not-for-profit sector about the liability provisions for directors and officers.

We have amendments to enhance the guarantees of a more efficient appeals process. While we want to be sure that the program pays out money only in cases where there

are valid entitlements, we do not wish to tie up employers, directors or employees in lengthy and protracted appeals procedures.

I would like to assure the members of this House that we are actively working with our federal counterparts to harmonize our program with the federal proposal once its long-awaited Bankruptcy Act amendments are passed. Workers who need this assistance will be able to access it easily without undue complications.

We can now proceed with third reading and proclamation, and once the employee wage protection program is operational, workers will have the security of knowing that the money they earn will not be lost due to circumstances beyond their control. I want to thank the members very much for the assistance to individuals.

The Acting Speaker (Mr Farnan): Are there any comments or questions on the minister's remarks?

Mr Sterling: I only have two minutes but I want to participate in the third reading debate. I want to ask the minister if he would confirm the calculations I have now made of the amount he will be transferring to the federal government as a result of this legislation.

I understand from what his officials have said and what he has said in the House that the average claim—I wish he would pay attention, because I am asking him a question—is \$4,200, that the number of claims is 18,000 to date, that the number of claims due to bankruptcy and receivership is 66%, as noted by one of his officials in committee, that the percentage of claims that are termination and severance pay is about 90%, as estimated by him. That adds up to \$75,600,000.

When we calculate 90% of the \$75 million, it equals \$68 million; 66% of the \$68 million equals \$45 million; the UI system pays 60% of an employee's wage and when this is factored in the net amount the provincial government will be transferring to the federal government as a result of Bill 70 will be \$27 million because of the clawback provisions of our UI system.

Would the minister confirm that this figure of the amount of money his government will be transferring to the federal government as a result of Bill 70 is about accurate under the present laws of our country and our province?

Mr Bradley: I wanted to have the opportunity to indicate to the minister, hearing his statement on third reading, that this bill has gone through quite a ride over the past several months.

When the legislation was first introduced, it provoked among the population of Ontario, particularly those who were involved in businesses of any kind, a good deal of opposition. I think a consensus of the people of Ontario would be that it was a valid concern that was being expressed by many people who were going to be placed in a very vulnerable position, that in fact the original bill would have had the effect of driving business out of Ontario and discouraging new people from putting new investment into our province.

The minister will face the charge by some who are on the other side of this issue that he is backsliding. He will be said to be in full retreat. He will be accused of having

capitulated to the major business and commercial and corporate interests of Ontario by many who have been his strongest supporters.

But the recognition, obviously, of the government is that we must have a favourable climate for business in Ontario. So the retreat in which the government has been involved in this bill is one, in my view, that can be justified. As I say, the minister will have a difficult time because he has a long tradition in the trade union movement. Perhaps even some of his caucus will have been concerned about this particular retreat on the part of the government, this backsliding, as some might say.

I think it is a situation that has resulted in a better bill coming before the House, a bill that has a much broader base of support in this province than the one originally brought forward. That of course is the way the Legislature and the legislative process should work.

Hon Mr Mackenzie: There is no clawback as such, but if the federal legislation, as we now understand it, makes them secured creditors, then they would have no claim on our money at all and there would be no payback to the federal government. If it is UIC that we are concerned about, there could be a delay before the money is paid out if they have collected severance pay and termination pay.

Mr Offer: I am pleased to rise and participate in this third-reading debate. I know there is some agreement as to when a vote is to take place, but I believe that as we are here today, there are some things that must be said.

The first thing that must be said is that this is a bill that started off, as its principle, with the protection of people who are the victims of the recession. As a result of the severe economic downturn, of the number of bankruptcies, insolvencies and the number of places that closed their doors, people who had worked all their lives, who had never, ever been out of a job, had never missed a paycheque, now found themselves without work and without any real opportunity. This bill had as its genesis the stated desire to meet those needs.

This bill was announced to be forthcoming last October. This bill was not forthcoming in October or November or December or January or February or March. The government did not bring this bill forward until the last session. Though we had second-reading debate in the last session, we were only able to deal with the bill through the public hearing process and through clause-by-clause deliberation in this session and in the last recess.

This is in many ways the very earliest opportunity we had to deal with some of our concerns, some of our attempts to make this a better bill, a more balanced bill, a bill that not only met needs of those people who were the victims of the recession, but the needs and the concerns of many people who came before our committee process.

It is, at the outset, somewhat disappointing for me to have seen the government, in its participation in the process, not accept an amendment by either of the opposition parties, amendments that I believe were well-thought-out, that were balanced—I speak from our caucus's point of

view—and that did not erode the rights and privileges of those who were the victims of the recession.

To put the bill in some context, we have to recognize that the bill was first announced, in terms of its intention, at the very same time the government announced it was going to allow Varity to leave this province, that it was going to allow Varity to move down the highway to Buffalo and allow a lower employment level.

Those who are aware of the transaction between the government of the province and Varity recognize that there were guaranteed employment levels in the understanding. In fact, the government not only allowed Varity to leave the province, but allowed those particular employment levels, in the depths of the recession, to be reduced. It was at that point in time that the government announced it would be bringing forward a bill to deal with those people who were the victims of the recession.

1610

We waited for this piece of legislation while the recession raged in Ontario, while bankruptcies were at an all-time high. As we stand here today, almost 300,000 jobs have been lost in this province. The jobs lost are not of a cyclical nature where people who are laid off are going to be recalled. Over half of those jobs that have been lost have disappeared, and those people who maybe in their lives were never without work now have a more difficult time finding work.

We have all recognized the need to make the province more competitive, to send out a positive message to business, to send out a message to our small business person that this is a place where he can open up, where he can create wealth, where he can expand and create jobs. There were opportunities as we went through the deliberations in this bill to deal with those types of concerns, to deal with the concerns of those people who came before the committee to talk about how we could send out a more positive message to the business community.

We have to recognize that when the bill was first introduced major concerns were voiced, concerns that the bill in its first incarnation carried the liability for both directors and officers of corporations, and that personal liability to those individuals was not limited to wages and vacation pay but also to severance and termination, and thirdly that there was in fact a non-exclusion; in other words, non-profit corporations and charitable corporations were included. There was great and grave concern about what this meant to those people, to those officers, to those directors, to those non-profit, charitable organizations, volunteer associations across the province, all of which are vibrant and running within our own constituencies.

We brought forward those concerns in the second-reading debate. We indicated, because of the concerns, because of the widespread nature of the concerns, because of what the impact of this bill meant, that we could not support this on second reading, that we needed those changes, at the very least, to be made. While we were in committee, the government moved amendments which met some of those concerns. However, there are still concerns that were untouched, concerns which we heard during the committee

deliberations. Before I move to those concerns, I want to touch for a moment on the committee hearings.

We were dealing with an important piece of legislation and we were dealing with a piece of legislation at a very important and vulnerable point in time. We in our caucus felt that it was absolutely necessary that there be extensive hearings on this particular piece of legislation. What more important legislation can there be than a bill which has as its genesis the recession and dealing with it during the recession? We felt that it was necessary to hear from as many people as possible both as to the pros and cons of the legislation and indeed what it meant to them, the impact it had upon them. We felt that it was not enough to meet within the committee rooms in this Legislature but that it was absolutely imperative that we hear from people in other areas of this province, in the Windsors, the Ottawas, northern Ontario, the peninsula. We had to meet and listen to what this bill meant to them and what its impact would be on them.

I am sure the minister and the parliamentary assistant have heard me say this before, but it was very disappointing to our caucus when that vote came before the committee. The members of the NDP and, I dare say, the members of the Conservative caucus voted against travelling, against our moving out from this Legislature to areas of the province which had been so badly hit by the recession, devastated in many regions, all of which wanted to have some input and some part of this process to share with us what it meant to them. That is something this bill is going to have to carry with it.

This bill is going to have to carry with it the fact that it did not have the extensive consultation our caucus wanted. It did not have the opportunity to go out to other areas of the province. The shameful, sad part of it is that the opportunity was there. If only the members of the government party, the NDP, had voted in favour of travelling, then we would have done so. We would have been able to visit other areas of the province and talk about some of the aspects of the bill that other people felt were important. That is one of the roles and responsibilities we have as legislators. In fact, the problem with this bill will always be that it was stopped, curtailed.

I spoke about some of the initial concerns that were heard when the bill was introduced last spring. By no stretch of the imagination were those the only concerns people had. There were concerns raised over the fact that the monetary amount of this legislation could be changed by regulation as opposed to legislation. I think it is important for us, as we talk about this bill in third reading, to revisit once more some of those concerns because, as was made known not only during the committee but certainly during the committee of the whole discussion, we were talking not only about this bill but about about what our roles and responsibilities are as legislators. In many ways we were talking about the heart and soul of the legislation.

We are talking about the dollar amount for which an employee might be able to access a fund. We felt very strongly, as did the third party, that if there is to be any change to that amount—and in the words of the legislation, the change can only be upwards; it can never be

down, it can never be reduced. The words of the legislation clearly indicate that any increase to the amount of \$5,000 may be done by regulation, and we feel it is our right, our duty and our responsibility to discuss that through the legislative process.

If it is done through regulation, we as members of the Legislature will not have that opportunity. We will not be able to talk to all members of this Legislature about the impact of any change, what it means to us in our riding, what it means to our business communities, our chambers of commerce, our boards of trade and people who have come into our constituency offices or Queen's Park offices and spoken to us about any particular impact of change.

When things are done by regulation, when the heart and soul of a piece of legislation is changed by regulation, we are really sending out a very negative message. We are really sending out a message that no matter what the government says about consultation and its new climate of co-operation, those are very much empty words. They are words on a piece of paper. The government had a real opportunity to put some substance behind those statements.

Probably every member on the government side has made some statement about the need for small business and job creation in his or her constituency and what it means to this province. Probably every member of the government has spoken about a new climate of co-operation, co-ordination and consultation at one time or another. They are always going to have to remember one thing: When they had the opportunity to stand up and talk about some substance being behind those statements they have already made, they did not do so. It was just an hour ago that they voted against that. That is something they are going to have to carry with them, not only as it affects this bill but as it affects all their statements and speeches about how important it is to consult, because when they had that opportunity they voted against it. They voted against debate on any change to this bill in this Legislature.

Members opposite voted against committees travelling to different parts of the province to listen to the impact of any change and against some of the things for which we were elected.

1620

I am always going to remember that when the members opposite had an opportunity to stand in their places, as they did today, to make that part of the law, they said no to that, no to debate, no to the committee room hearings and no to travelling across the province. I tell the members opposite right now that I shall be reminding them about this as we proceed, because words on a piece of paper at a time such as we are going through now are very empty indeed. The people of this province and business communities of this province are certainly looking for an awful lot more. We were left with that, and the members opposite voting against that amendment really sent out a very bad message about what this government intends to do in terms of fostering a new climate of co-operation.

There were other concerns. Another concern we discussed was that there was an opportunity, again through amendment, to give a small break, as it were, to the small business community. Because of the amendments, we

know that the bill really is in two parts. First is eligibility, who is eligible and when they are eligible, and second is the liability of directors. In fact, because of the amendments that were made, no new rights were created. All this bill created was, first, the fund and, second, an enforcement mechanism against directors.

Certainly we are cognizant of that. We recognized that, but we also recognized that through our committee hearings, no matter how shortened they were, there was an opportunity to reach out and give small businesses an opportunity to be exempt from the enforcement mechanism. We spoke long and hard about that particular amendment because of the fact that we recognized it was not going to erode or take away from the rights of those employees who were the victims of the recession.

We spoke at length about being in favour of the principle of the legislation. These are earned benefits. Under the Employment Standards Act wages, vacation pay, termination and severance are earned benefits which, I remind the government side, previous governments have enhanced. We spoke in favour of enhancing those particular benefits. In fact, we passed into legislation those enhanced benefits. On principle, we were very much in favour of protecting that which has been earned. But we also recognize that because of the way the bill reads, there was nothing new created, save as an enforcement mechanism.

We felt there was an opportunity where we could save the small business community from that enforcement mechanism, save it the cost of acquiring insurance and save it the excess costs, through premiums, of carrying on business. It would in no way erode, and we have in no way eroded, the rights of those people who fell within the legislation.

It is one of those curious things. As we went through our deliberations, I wondered why the government would not see the balance in the amendment. I speak not because it was an amendment put forward by our party; that is not the point. The point is that it was an amendment which did not erode the rights of the worker. It also would not have cost the taxpayers any dollars. We received information during our deliberations from ministry officials, from the parliamentary assistant and from the minister as to the real likelihood of collecting from the directors of small business, that it was very minimal indeed. Why not save them the cost of having to acquire insurance and having to pay a premium on that insurance each year?

I was always curious to hear some of the reasons for voting against it. I know there will be the opportunity for members of the government side to respond, but I never heard a single reason. The only thing ever said was, "That's the way the bill is, so that's the way the bill is and that's the way the bill's going to be." The fact of the matter is that there was a tremendous opportunity to make it a more balanced, even bill which met the needs of those people who were the victims of the recession, and an opportunity at a very crucial period in our time to send out a very positive message to the business community that here is a government that listens, that this is a place where you can create jobs and wealth and that there is an opportunity

for consultation and a new climate of co-operation. That, unfortunately, was not forthcoming.

We were left in many ways on the horns of a dilemma. After those amendments we had a bill, the principle of which we very much agreed with. We recognized the many thousands of people who have been the victims of the recession. I know in earlier comments it was said that there were something in the area of 18,000 or 19,000 people who might be immediately eligible for this fund. I see the minister is here. He will recall that he sent to me a letter saying it is the government's estimation that in the first 18 months of this bill, 55,000 people would be eligible.

We are not talking about a small group of people; we are talking about a large group of people, a lot of people who were never without a job, as I indicated earlier. We know what the recession meant to them and their families and we know there are benefits under this bill that are going to be secured to them. We have had that as a principle which we certainly agreed with. Surely we agreed with it after the amendments.

On the other hand, we had concerns about the real opportunity the government had to send out a message that it was listening to the business community and the fact that it had seen those amendments, that it had listened during the committee process, as shortened and narrow as it was in terms of our inability to travel, and that it was ready to respond. Unfortunately the government did not see fit to do so.

This bill certainly has addressed some of the major concerns we had at its outset. It certainly has addressed some of the reasons for which we voted against it on second reading. Those reasons have been addressed by amendment. But members should make no mistake about it—there are still concerns with the bill. There are concerns dealing with the question of changes by regulation as opposed to legislation, in terms of sending out a positive message to our business community. Those concerns were not really addressed by the government.

At the end of the day a decision is required. We have put forward those particular amendments, we have argued those amendments and we think about the many thousands of people who, through no fault of their own, are out thousands of dollars. This bill will be able to address some of those concerns. Many thousands of workers will be able to take the benefit of this particular fund.

There are issues which still remain unresolved. We are going to be keeping a vigilant eye on the minister. We are going to be watching in terms of what the harmonization is between this bill and the federal bill when it has been passed.

1630

The minister will recognize that there are many people who spoke, first, about the need for harmonization, and second, about what that meant to them. We will be watching very carefully to make certain the Minister of Labour has heeded some of those concerns. We are going to be watching very closely to make certain this bill does not result in an employers' tax. I think the minister is well aware, and the parliamentary assistant too is well aware, as well as all members on the government side, that a concern

was raised in almost every presentation that this bill should not, in the end result, have an employers' tax added to it.

I know the minister heard that message very clearly. In fact, if there was a single message that was uniform throughout our hearings, it was that. We posed that question many times and did not receive any response. I want the minister to recognize that this is a very large concern of the business community, and much wider than the business community, of the general public at large. They recognize it is the business community that creates the jobs and that if an employers' tax is imposed upon them as a result of this legislation, it is one that may impact upon the creation of jobs. The minister will have the opportunity in wrapup to address that particular issue, but it is one we are going to keep a very close eye on.

A third area we are going to be watching very closely is in the event the legislation is changed. We have said and we feel very strongly that this is a piece of legislation that, if changed, must be done through the legislative process. We recognize the minister has every right to change whatever piece of legislation he wants in whatever way he wants, but we also have an obligation and a responsibility as elected members—I speak not as an opposition member; I speak as an elected member. I have an obligation, and everyone here has that obligation, to bring to this floor the impact of changes to legislation: what it means to our communities, what it means to the small business person, what it means to the creation of jobs. This bill really does in many ways stop me from making those types of representations. We have in many ways shut the constituency office doors on those concerns.

The minister looked up as I said that. I hope the minister recognizes that when matters are changed by regulation, members of this Legislature usually read about it in the media. We have not been able to share with the government what the impact of any change will be, what the impact of insurance premium changes means to the cost of doing business and to the creation of jobs in our ridings. There is not a person among us who has not had in his or her constituency a story, and many stories, about what this recession has meant to them, has meant to their riding, and has meant to the many families they have been asked to represent. Changes by regulation really do stop us from hearing that impact prior to the changes being made.

We are going to be watching very closely to make certain, as best we can, that when changes are made—and we hope not—without learning the impact of those changes, those matters are brought to the minister's and to the government's attention.

There are many people who are watching not only this debate, but who are watching the government very closely. Many people are very well aware of some of the speeches that have been made by members of the government, by backbenchers, by ministers, about this whole new era of consultation. If this bill is any example of this new era of consultation, then that is something which is greatly lacking. It is something which many business communities and many groups of individuals feel they have been shut out of.

We are going to be watching very closely. We are quite cognizant of the fact that many thousands of people are

going to benefit by the bill. We have a balance here. We recognize that this bill does have some problems within it and that it has certain concerns that have not yet been met. We recognize that many of the major concerns that cause problems throughout this province in the business community and the volunteer associations have been addressed, but that there are a number of areas which still have not been addressed, areas such as regulation or legislation, and certainly the issue of the cost of doing business in this province.

These are areas we are still going to be watching. We are going to hope that the government will at some point in time put some substance behind some of the speeches it makes about consultation. We expect the government will live up to its promise that no changes will be made without consultation and without our being able to fully debate the impact of any changes. That is the very least we can do at a very difficult point in time.

There are people feeling very shut out from what we do here, people feeling very distanced from the process we undertake each and every day. Regulation does not reduce the distance; regulation increases the distance. Regulation moves people farther away from what it is that we do. Regulation makes people very much apart from the process and we want them to be a part of the process.

Though we have these concerns, we recognize that there are many thousands of people who are going to be able to receive the funds, the benefits they have earned. We believe, in principle, that this is the right direction. We believe those people should have that opportunity. Though the bill does contain certain frailties and does still have certain concerns that have not been addressed, we recognize that when one looks to those, and on balance looks to the many thousands of people who would benefit, we will vote in favour of this legislation.

Mrs Y. O'Neill: From the beginning, my concerns about Bill 70 were that there were unnecessary fears, fears that never had to take place, put through communities. If this bill had been well-thought-out, this never would have happened. Although I really do believe in supporting the workers whose wages have been earned and that they are now certainly equal in line with those people who are in the unfortunate circumstance of a business failing, my concern now is that we are now being asked to have faith in government intervention by regulation and government intervention by way of funding, funding for which, at the moment, we do not know the source. These are still my cautions as I support the right of workers to collect wages already earned.

The fears engendered by Bill 70 could easily have been prevented if this legislation had been well-thought-out in the beginning. To include non-profit and charitable organizations in this kind of legislation was reckless. The word "thoughtless" is not strong enough; it was reckless. Volunteers throughout this province who came to those of us whom they could approach so we could bring their concerns to the floor of this Legislature did not need to suffer needlessly.

I hope there have been some lessons learned in the presentation of Bill 70. I too am concerned that our amend-

ment on small business did not receive government approval. I have had no explanation that satisfies me on that. I really do think the member for Mississauga North's amendment regarding small business and how this is possibly going to affect small business could have been much better vetted as we went across the province, if that had been permitted. Ottawa would have been a very good venue for hearings. That did not happen. I am sorry.

The Acting Speaker: Further comments and questions? The member for Mississauga North has two minutes if he wishes to add a further comment.

1640

Mr Offer: I think many of the concerns have been canvassed. We recognize that this bill is not a perfect piece of legislation. We also recognize that many people who are the victims of the recession have earned benefits under the Employment Standards Act, areas of which, when we were in government, we enhanced and stand very proud of so doing. We would be able to recover those. That is, in essence and in principle, why I will be supporting this legislation.

Mr Harnick: At the outset I wish to say I support the intent of this bill, which is to provide assistance to those whose jobs have been lost due to bankruptcy or insolvency and who have earned income they are going to be unable to collect. But I have been concerned from the outset, because this bill goes beyond that concept and certain aspects have created a nervousness in our communities which tends to make the bill unpalatable.

The flawed process of the presentation of this bill and the liability of charitable organizations, which the member for Ottawa-Rideau just mentioned, sent out a horrible message in our communities. It said to me that the preparation for this bill and the presentation of this bill were bad. It told me there was no real consultation prior to the presentation of this bill and that has created a bad atmosphere.

The minister has said many times in response to questions that the problem with labour law is that the history of labour law in this province has been marked by the adversarial nature between business and labour. To a certain degree, although not in the most recent of times, I would agree with the minister in that characterization. I agree there has been that adversarial nature.

The way this bill has been presented, the contents of this bill and the atmosphere within which the bill has been brought to this Legislature have only heightened the adversarial nature which the minister has stated so categorically he wanted to deny. That causes me some real concern. This bill from the outset pitted labour against business.

When you add to that the compounding factor of the general atmosphere with respect to intended Ontario Labour Relations Board amendments which were leaked, listed in graphic detail, signed by the minister, and which found their way into this Legislature and to members on all sides of this Legislature and to the public, there was cause for real concern. When you compound that with the original contents of this bill, the only conclusion you can come to is that there was absolutely no consultation taking place between business, labour and the government. That

got this piece of legislation on the rails but on the wrong track.

I have some other concerns, and my friend the member for Mississauga North mentioned this earlier: Every time an amendment was proposed that would help small business without in any way affecting the intent of the act, the amendment was defeated. There was absolutely no intention to try to help that entity in our community which creates the wealth and provides the jobs.

What we saw was an absolute denial of any of those amendments either by way of passing them or even by way of real consideration. That causes me some considerable concern about this legislation. The ability to produce a piece of legislation that can help all parties is something I think all ministers should strive for when they present legislation in this Legislature. This bill did not accomplish that.

The aspect of the changes by regulation we spoke about in some detail in committee of the whole House. I merely wish to reiterate that the idea of changing legislation in significant, material ways without bringing that legislation to this Legislature is reprehensible. It negates the job we are all supposed to do together. I have some regret that amendments directed at stopping legislation by way of regulation were not accepted in committee of the whole.

The other aspect of this bill that causes me some concern is the underlying aspect, which the government does not wish to discuss, of how ultimately this bill will be funded. My colleague the member for Waterloo North, our critic of the Labour portfolio, has asked both the Treasurer and the Minister of Labour about the prospect of a future payroll tax to fund the legislation. Neither the Treasurer nor the Minister of Labour has given any assurance that he will not institute a payroll tax to fund the wage protection program.

I point out to the minister that people are concerned about that. I point to the Canadian Manufacturers' Association, which indicated: "No employer tax or payroll tax be established to fund the program in the future. To do so would be detrimental to the economy of Ontario by making it even less competitive, resulting in fewer jobs for Ontario workers. Almost all jurisdictions with which we compete offer a far more competitive tax environment."

Mother Parker's Foods Ltd stated, "You must realize that another payroll tax would send a great deal more small businesses straight into bankruptcy and put even more individuals out of work."

From the More Jobs Coalition: "The More Jobs Coalition is firmly opposed to any initiative which would add an additional payroll tax on the already heavy burdens employers must bear."

The Ontario Chamber of Commerce has stated: "No employer taxes should be introduced to cover the cost of payments made in accordance with the bill. These are social benefits that should be drawn from the consolidated revenue fund."

The Grocery Products Manufacturers of Canada has stated: "We cannot support financing the program by means of a flat payroll or corporations tax. Clearly any additional cost of doing business will negatively affect the

industry's ability to compete in the North American marketplace."

Steve Yeoman of Bates and McKeown stated, "In the aftermath of the GST and the employer health tax and the Ontario budget deficit, small business in the province of Ontario cannot afford another tax."

The Information Technology Association of Canada stated: "A payroll tax will drop with a thud on the scales when weighing in against the investment case for Ontario. You should recognize that it is not only the cost of doing business in a given environment that investors will measure."

Finally, from the Canadian Federation of Independent Business, "The regressive character of payroll taxes makes them much more burdensome to the small business community than to large corporations."

1650

I point out that the minister can allay the fears of a great many organizations, corporations, individuals and groups by categorically stating that the wage protection fund will not be financed and paid for by a tax on jobs. I think he would be well advised, if I can say with respect, to send out that kind of message, and then a bill such as this bill would be received a little more positively.

Finally, I just want to point out that in sections 1, 2, 3 and 4 there are elements of those sections that have nothing to do with the wage protection fund. These are sections that entitle the ministry to make orders to reinstate a person in employment, or to hire an employee who had been let go, with or without compensation, "or to compensate the employee in lieu of reinstatement or hiring for loss of earnings or other employment benefits," if there has been a contravention.

"Where an employer dismisses an employee who refuses any work that is a contravention of subsection 2(2) of the Retail Business Holidays Act, an employment standards officer may order the employer to reinstate in employment the employee concerned, with or without compensation, or to compensate the employee in lieu of reinstatement for loss of earnings or other employment benefits.

"If a trade union has entered into a settlement agreement under subsection (15) and the employer does not pay the severance pay agreed to or the trade union demonstrates that the agreement was made as the result of fraud or coercion, an employment standards officer may make an order under section 47 as to what action, if any, the employer shall take and may make an order to compensate the employee for the severance pay that is owed."

These in and of themselves may be sections that are reasonable sections, but the first thing we see is that the Statutory Powers Procedure Act is eliminated from consideration of these sections.

What kind of message does that send out in terms of fairness to the employers of this province, those who create the wealth? The fact that these find their way into an act that primarily deals with wage protection, a wage protection fund and eligibility for that fund, I find somewhat curious. I think these sections send out a message that makes it very difficult for business, particularly small business, to accept this bill in a non-adversarial way.

I had the opportunity to comment on this bill earlier in committee of the whole and I appreciate the opportunity to speak on this bill on behalf of my constituents and to express some of their concerns. I do state that in principle the bill is a proper bill, if it were confined to providing the assistance to those whose jobs were eliminated by reason of bankruptcy and insolvency and for money they had already earned. But the bill goes beyond that, it causes concern and it may not be effective as we watch it in years down the road.

Mr Mammoliti: I too stand in representing the constituents of Yorkview, and I know the concerns my constituents have. They are totally in favour of this bill. They have phoned consistently and talked about wage protection and about how quickly we can get this bill passed. They have talked about the stalling in the House. They have talked about the stalling in committee. They have talked about the deliberate stalling in committee and in this Legislature that has taken place from the members across the way.

We need wage protection. I say "we" because this is where I come from, labour. I do not forget my roots. I represented a number of employees in a particular ministry prior to the election. I know a lot of union leaders who represent workers in the construction industry, workers in factories, workers in small businesses, the Becker's, the Mac's milk stores. I know individuals who work in those areas. They are concerned that nobody is really paying attention to them, that nobody is really bothering with them, and that nobody has paid attention to them, that nobody has bothered with them in the past.

Through this bill, I believe we are paying attention to those individuals, the average person. We are trying to make life a little more comfortable for them in that they need security. When the average person looks for a job, that person wants to know that he is going to be there for a while, and that if he is not, there is compensation for him if something should happen.

I cannot condone what the federal government is doing in this country. The federal government is making it more attractive for business to leave. I do not understand the logic behind that; I never have. I can remember all kinds of rallies we held prior to the election of 1990, of course not supporting the views of the federal government. Those rallies told them that this would happen, that people would leave, that they would leave the country, that they would go to the United States, that they would go into Buffalo, that they would go to New York, that they would go into all those cities that were giving them all kinds of attractive proposals, for instance, about land. They can pick up land cheap. They do not have to pay tax for land, that sort of thing. Labour, of course, is cheaper there as well. They are making it attractive. People are leaving. Of course you talk about the GST, another area the federal government really did not put any thought to.

Individuals have left, are gone and I am not sure how to get them back. I would love to be able to come up with a plan to get these people back. I am not too sure how we would do that, but it is certainly something I would like to sit down, even with my colleagues across the way, and talk

about, a plan to get them back into Ontario. We may have to get rid of the federal government first, because it certainly is an enemy, as far as I am concerned.

When we talk about communication, I agree; there has to be communication between government and opposition. There is no question about it. The committee work is important. We have to go around. We have to consult and all of that.

However, I would like to take the view of the person at 5 o'clock tonight, eating his dinner and watching me speak and watching us speak in this Legislature, turning it to the channel and listening to us debate on this thing. This person, perhaps one who may be out of work and waiting for this cheque, is saying to himself or herself: "What's taking so long? It's not so much the consultation I'm worried about at this point. I'm worried about eating. I'm worried about putting food on my table. I'm worried about putting food on my table so that my children can eat. I'm worried about my home. I'm worried about my mortgage. I'm worried about my rent."

When I hear arguments in this particular case, when we talk about wage protection, I have to say that I do not agree we should hit every particular city in the province and should conduct a massive communication strategy. We want this through. I believe the communication has been satisfactory up until now. I believe all the committee members have done their work and have done a very good job. It is unfortunate a lot of amendments were not passed, but I am glad this is going to come to an end, I hope, today. I am glad this is going to be passed today because there are a lot of people—yes, in my riding of Yorkview—waiting for this bill to be passed, waiting for that cheque. In terms of the number of people, about 18,000 workers are sitting there right now, probably a hell of a lot of them anyway, tuned in and watching today, knowing this is the last day and asking themselves, again while they are eating their dinner, "What is taking so long?"

1700

I do not have too much to say; I never do. I try to keep it as short as possible and to the point. This whole thing with free trade and the GST and all of that really gets to me. On the one hand, we sit here and talk about cross-border shopping and about what we should do as the provincial government and, on the other hand, our hands are tied. When we talk about transfer payments and all of that stuff, it is really irritating and very frustrating for a backbencher such as myself, somebody who is trying to learn, trying to figure out a way of doing things in a manner and a way the constituents can appreciate, to know there is another level of government that is hurting us drastically. I have to plug in the fact that people are out of work because their company, their factory or their store moved elsewhere. The government has made that possible by making it more attractive to go somewhere else.

I have been working quite extensively on the whole drug treatment area. One asks, "How does it relate?" It relates. The previous governments really did nothing about cross-border shopping that way. How many millions of dollars have been spent across the border looking for treatment? It is \$51 million, to be exact. We have not really

improved our treatment here. How many of those people go across to the United States to look for help and how many of them actually spend money while they are down there? How many of them actually spend perhaps another \$51 million on their clothes and on their food? That money could have been spent here in Ontario. How many jobs could have been provided already if the previous government had perhaps taken a look at this and restructured it the way it should have done?

All that relates to what I have been saying. As far as I am concerned, it has a lot to do with people going to the United States, that whole attraction. Whether it is jobs or businesses moving to the United States or whether it is drugs, it all has to be looked at. How can we better spend our money in Ontario? This is what this government wants to do. We do not want to waste time. We want to do it as quickly as we can and as efficiently as we can.

As a backbencher, I really get upset knowing that the opposition stalls. Frankly, I think they are doing it on purpose; the same thing with the third party. If they are really sincere, if they really care about their constituents, they will know this is a good bill. This is a bill we need. This is protection workers need. If they have been canvassing door to door, they know the average person wants it and needs it.

I am counting on them, after the bill is passed, to go around and talk with their constituents and let them know of the bill and the effect this bill is going to have on communities in general. I would like them to tell people the positives and not the negatives, to go to a front door and instead of saying, "We should have visited all the cities in Ontario and there should have been a wide consultation on this and we should have talked until we were blue in the face on it," say: "It was so important to get this passed. We did what we could in committee and we did what we could in the Legislature. Let's take this forward and hope things will work out."

I also ask the members of the third party again—I have done this consistently—to please go to their federal counterparts, their federal friends, and say, "Do something."

Mr Runciman: Don't bother me. Go to them.

Mr Mammoliti: The member for Leeds-Grenville says, "Don't bother me." This is the sort of frustration we as the government are coming up against when I say to them, when I plead: "Go speak to your friends in Ottawa. Tell them we need them. We have to work together with them, not against them. Tell them this whole area of free trade and the GST is crippling us to a point where we cannot survive any more, to a point where we are out of work and we just cannot cope." I plead that they please do something. Nobody is listening. This is how frustrating it is for a backbencher such as myself.

Mr B. Murdoch: You haven't said a thing since you have been here.

Mr Mammoliti: Again we get interjections for me to say something. I have been saying something. I have been saying something for the working person, that person who is sitting in front of the TV eating dinner and asking: "When is this going to end? When is this bill going to go

through? When am I going to get my cheque?" These are the questions the average person, the average voter is asking, not: "How much time can we waste? How long does it have to be? How much time we do have to sit and talk about it and debate about it in the Legislature?" Even as I speak they are probably asking, "How long does Mammoliti have to speak?"

On that note I say to the members of the third party opposite to please take in everything I have said today. They should take it in because it is important. They should go to the doors of those average people, knock and ask them how they feel about wage protection, how they feel about the future of their children, how they feel about that mortgage payment being at least a little secure if their company were to shut down at this point. I ask the members of the third party for the last time to do something, to go to their leader and tell him he is ruining our country and put up a fight. I dare them to put up that fight. I do not think any of them have.

Mr Speaker, I will close on that note and I will say thank you very much for the time. I thank the minister for this excellent bill. On behalf of my constituents, I thank him. We need it. I am looking forward to other bills being introduced for labour.

Mr Tilson: I have a question to the member for Yorkview. He is quite right that, as I understand it, the federal government did introduce a bill to amend the Bankruptcy Act in June this year which included provisions to create a wage claim payment program. Under that federal program employees caught in bankruptcy, receivership or liquidation can receive up to \$2,000 for unpaid wages and vacation pay and up to \$1,000 for unpaid salesperson expenses.

The federal program, as I understand it, is being funded through a payroll tax. Back in the fall, the Premier indicated that the government would be setting up this wage protection fund to guarantee unpaid wages of employees who lose their jobs when their companies go bankrupt or are shut down. He indicated that the seed money for that fund would come from the \$5 million that the government received as a settlement for Varsity Corp moving to Buffalo.

My question to the member is, once the seed money is gone and the 18 months suggested in the bill have expired, how does the government propose to fund the particular fund that this bill is setting up?

1710

Mrs Y. O'Neill: I would just like to respond to the member for Yorkview by stating that this bill would not have taken so long to progress through the Legislature if this government had been more forthcoming on how it is going to finance the bill. As members of this Legislature, we are being asked to support something we believe in, but we are being asked to do that with a giant leap of faith by a government that has changed its mind, has flip-flopped and has certainly been less than secure in its financial and fiscal planning. These are things that make us very cautious and certainly are meant for much discussion, and without the amendments, we could not have supported this bill.

Mr Mammoliti: I will say it again. As a backbencher, I look at cabinet, I look at the whole structure of government, and I would probably take the same approach to answering that question as the average person, eating dinner at 5:15 at home and tuning in, would take, and that is: "Let us lead. Let us determine where the funding is going to come from. Let us determine where we are going to spend the money. We are the government. We were elected to do that, to govern." Frankly, again as a backbencher, I am sick and tired and fed up with the opposition wasting valuable time in telling us how to manage.

As a labour leader, I have heard consistently from business: "Let us manage. Let us do what we think we can do best. Don't interfere." I have heard it continually from the opposition as well in the past: "Let them manage. Don't interfere with business. What the hell are you doing interfering with business?"

Why are the members opposite interfering with us? Let us manage. Let us deal with our affairs. Let us find the funding. The members opposite are not letting us do that. I ask the third party again, for the third time today, to go to their federal people, to go to their friends in the federal area in Ottawa and say to them: "Stop free trade. Use that clause. Stop the GST. You are crippling us. You are not letting us do our thing in Ottawa. Do what's right for Canada. Do what's right for Ontario." That is what I ask.

Mr Conway: That was quite a performance. I am afraid it is one we are getting all too accustomed to in this House.

I just want to make some comments around Bill 70, because as has been indicated by previous speakers, this has been a matter of some interest to this Legislature and the public beyond. I find it incredible that people talk about—when it comes to some of the comments of my friend opposite, I suppose if I wanted, imputation of motive comes to mind rather quickly.

This bill was introduced for first reading in mid-April. We are now in mid-October. A bill of this kind, with these consequences for the economy, being dealt with in six months is, given the history of this legislative chamber, expeditious.

I want to repeat for the community out there watching this on television after dinner, as my friends who have spoken before me have rightly observed, you will remember the circumstances around the introduction of the bill. There was a tremendous concern about the scope of Bill 70. To his credit, the minister moved some time ago to amend the more offensive sections of this bill, but Bill 70 dropped on the heads of the province with quite a notable effect. That we have taken but six months to discuss it in the light of its highly controversial character upon introduction says something about the expeditious way in which the assembly and the committee has gone about their work.

It should not surprise anyone that a bill with this kind of principle and this kind of potential pricetag would attract the interest of people. I was not around when the committee was deciding where it was going and not going, but I have to tell members that if I had been there, I think it would have been a more difficult battle to restrain this

committee from going into those parts of the province where clearly it did not go. That apparently was a long list.

For me as a Liberal, the essential core of this bill is that there will be a legislative protection for earned work and related credits. So if I, as a working person, am duly in receipt of wages and vacation pay that I have earned, I will have some legislated protection for and claim to that earned credit. I think a Liberal has to support that kind of legislation, that kind of principle, but I do not do so without reservation. There are aspects of this bill that I truly do not like. That principle, it seems to me, properly belongs in the federal Parliament with the Bankruptcy Act.

Mr Huget: You know the feds will never do anything about that.

Mr Conway: My friend the member for Sarnia says the feds may not do anything. I do not know what the federal government is going to do. I am simply telling members that I accept the principle. I think it should be supported by all reasonable people and certainly any person who considers himself or herself to be liberally minded.

I do not expect the entire community to embrace this. I have had a number of business people come to me as recently as the weekend and continue to express deep-seated concern about the bill. In some cases they are talking about the bill before the government amendments proceeded. They are also apoplectic about what they read in terms of the next item of business on this government's legislative agenda.

I am telling members what they already know, that Bill 70 has caused great concern because it was poorly drafted in the first instance; enormously controversial, because of the exposure to our charitable organizations, our non-profit corporations, among others; but it also fits into a broader piece, and that broader piece has attracted the interest of a great number of people in the community.

I would say as well that the bill has some elements I do not like at all. I just do not understand this government in its enthusiasm for an expansive use of the regulatory power. I think back to their railing about the McKeough days of regulatory powers, yet this government, in two of its first major legislative initiatives, Bill 70 and Bill 118, seeks to give itself either an executive or a regulatory power that is in relative terms sweeping if not breathtaking. The executive power that this Rae government sought to give itself with Bill 118 was as dramatic as anything I have seen in a long time.

My friends opposite say what their intentions are with respect to Bill 70. I want to tell my learned friend, the hockey-playing Attorney General from Rainy River, that he would do well to look at what section 16 of this bill entitles the minister, as an executive personality, to do by regulation. If he wonders why there are people out there concerned about what the government is up to, it is exactly because this bill, by regulation, gives the executive council—more important, the government, the cabinet minister in charge—the right to expand upward the entitlement, to expand outward the criteria—

1720

Hon Mr Hampton: Is that a little bit like auto insurance?

Mr Conway: I cannot believe my friend the member for Rainy River wants me to engage in a parenthetical debate about auto insurance. I can still hear the swallow-tailed coat he was wearing on swearing-in day snap as he makes a 180-degree turn on that subject.

I simply want to say that people are right to be concerned about the regulatory power that is contained in section 16 of this act, and I do not say that lightly.

Hon Mr Hampton: Remember 162?

Mr Conway: I remember 162. It is too bad the pale shadow of Fred Young has just left us, because what I remember about Bill 162 is the stampede that almost broke down the doors in here. I remember well how utterly inadvertent that all was, how completely spontaneous. The member asks me about Bill 162? He bloody well has his nerve, quite frankly. When I think about the kinds of tactics—

Hon Mr Hampton: I think I touched one.

Mr Conway: He has bloody well touched something, because we are now 13 months into his mandate and no one has come to storm the doors here, however spontaneously, however inadvertently.

Hon Mr Pouliot: And it was spontaneous.

Mr Conway: Yes, of course, absolutely.

Hon Mr Pouliot: Are you imputing motive? Are you saying we sponsored this? What are you trying to say? Say it, Sean.

The Acting Speaker: Order, please. The debate is on Bill 70. The member for Renfrew North.

Mr Conway: I am not surprised at all that the then Leader of the Opposition calmed them down.

I simply want to say that I support this bill because for me it has a very fundamental principle, and that is, ordinary working men and women who have earned credits in the workplace ought to be able, in most circumstances if not all circumstances, to get those credits. That for me is the basic principle of Bill 70. That is why I support it.

I share absolutely the concern that others have articulated around a payroll tax. I want to say, on behalf of my constituents, and I must say my business constituents more particularly, that they will recoil if there is going to be a payroll tax announced at some later point to fund this. It would be a deception of a very serious kind to be engaged in this debate and not to be told that in fact the second piece of this policy is a payroll tax to be announced at some later date.

I have to tell my friend opposite the Minister of Labour, with whom I have rarely agreed, that I must say I respect him for what he is, which is a very stout and reliable defender of the labour interest. I say that quite respectfully. If as a companion piece to Bill 70 there is a payroll tax contemplated, then he has to know that he is going to re-ignite this debate.

Hon Mr Pouliot: Like a health tax?

Mr Conway: My friend opposite says, "Like a health tax." That was a payroll tax and perhaps we should debate that at another time. I am quite prepared to admit that the payroll tax has landed on the backs of the business community now in a way that is not helping. I will be perfectly frank in saying that.

As all of us come to this place on a daily basis with interesting schemes to spend money on highly meritorious projects, we owe it to ourselves and to our community to be very serious and responsible, particularly in these times, as to how we are going to pay for this. I am sent here by my constituents, who tell me that, yes, they think the principle should be supported but they do not want it paid for with a payroll tax, particularly in these kinds of recessionary circumstances.

I want to say, as I look at the clock, that the Bill 70 piece fits into other pieces. It relates to the fiscal policy this government is pursuing. It relates to other issues on the labour agenda. When I talk to people about Bill 70, I have to first get them down from the ceiling about the original Bill 70 and then I have to try to calm them down about the Bob Rae-Bob Mackenzie-Bob White labour relations amendments.

If my friend the member for Yorkview thinks that there was a little debate over six months with Bill 70, I am going to tell him that he had better get ready for a long march on those amendments whenever they come forward.

One of the other reasons why I can support Bill 70 is that I can honestly say that in the main it will support and assist Ed Broadbent's ordinary Canadians, the working men and women of my riding and all the other communities around the province. When I see some of the other things on their labour agenda, it is quite clear that this has a much more narrow focus in terms of its understanding of the public good. But I am sure they understand, because they are all bright people over there, as far as I can judge in a charitable frame of mind, at least.

Mr Mammoliti: Come on, Sean.

Mr Conway: The member for Yorkview has just returned, and I get kind of annoyed when I hear the speech—

Hon Mr Hampton: Have you had a bad weekend?

Mr Conway: No, I have not had a bad weekend at all. But I am just telling the members that as a government, they are doing a variety of things that affect the business climate in the province.

I think we all know that this fund is not going to be heavily drawn upon if we have some kind of recovery. If the recession continues, then the pressure on the Treasurer to pay for this—let's not kid ourselves. The Minister of Labour, I know, has talked about this. If we have, for the sake of argument, 10,000 claims and if they average \$3,500 a claim, then we are looking at what, \$35 million? Is that the right arithmetic? If we have, however, 50,000 claims at \$4,000 or \$5,000 a claim, let none of us kid ourselves as to what we have and what kind of pressure that puts on the Treasurer in particular.

One of the reasons I am prepared to support the government's restraint initiative is that I want to see

something done for these men and women in my constituency, in the main in the private sector, who do not have these good public sector pensions.

Interjection.

Mr Conway: I am being quite frank. My farmers and my sawmill people, to use two sectors, are really in trouble. I am quite prepared to support this legislation because I think it is going to help some of those people, but that lineup is going to be very long if we do not smarten up and start to realize that the recession can only end if public policy starts to understand something about how we go about creating some wealth.

Mr Stockwell: Yes.

Mr Conway: Our friends in the Progressive Conservative Party have a particular point of view, and that is their entitlement.

But I want to say to my friends from Durham West and Yorkview that I hope we have all got beyond the point of getting up here and doing what the member for—and I apologize if I was a little rude to the member for Yorkview, but I am sick and tired, and I think most of the taxpayers are sick and tired, and I would have thought most members of this Legislature who have been here for more than two years are sick and tired, of getting up and saying: "Well, it's all somebody else's fault. It is city hall's fault. It's Ottawa's fault."

Mr Mammoliti: It is.

1730

Mr Conway: If the member wants to engage in the federal debate, he should run for the Parliament of Canada.

I watched Mike Harcourt the other night deal with some of the tough questions that were put to him in the leader's debate, right around this subject, interestingly. The skating and the obfuscation were breathtaking, but if I do not like the fact that he would not answer any of the tough questions, then I can leave Ontario, presumably, go to British Columbia and engage him in the British Columbia debate and in the British Columbia political process.

Mr Mammoliti: That's a silly argument.

Mr Conway: It is not a silly argument. What is not silly but insulting is for my friend opposite to get up and say it is all a matter of the GST and the federal fiscal policy. I am an elected member in Ontario to tell the members opposite that the fiscal policy, the tax policy, the labour policy, the energy policy of the duly elected Bob Rae government in Ontario will have a great deal to do with how long the line is standing in front of this wage protection fund. That is my point.

In conclusion, there are real and legitimate concerns around the bill. I congratulate the government for backing off the really controversial components which have been mentioned earlier. I want to repeat that I expect this fund will be concerned with what the bill focuses upon in principle, the earned credits of working men and women that are in jeopardy or at risk as a result of bankruptcy or what have you. This government ought not to fund this with a payroll tax. It should be ashamed of the expansive regulatory power and it should be very reluctant to use that,

particularly to change the basic policy which this Legislature will today affirm.

The government, in light of what it has heard over the course of the last six months, will surely think deeply and carefully about what it wants to do with the other legislation affecting the relationship of labour and capital in this province, where we all want this terrible recession to end and where we want to get as close to full employment as is possible in a modern industrial and commercial society of the kind in which we live.

Mr Bisson: I always have the greatest respect for the member for Renfrew North when he gets up in the House, normally to bring up very good points which I think are beneficial not only for myself as a member but for all people participating in the debate, either here in the House or watching it on television at home.

But I take some offence—and I have to say this—when the member says my colleague on this side of the House is trying to lay blame at the federal feet and that we should not look elsewhere to try to lay blame. I have sat in this Legislature for a year and have watched exactly that on the part of the opposition parties, so I ask that the member looks in a mirror when he makes comments like that.

I agree with him that what is needed in this Legislature, as in any Legislature in this country or in the federal House of Commons, is the civility of members from all sides to sit down on key issues and go through an issue to try to make legislation better. The member for Mississauga North mentioned that this legislation was made better because amendments were put forward based on the consultation process that happened with the people of Ontario and, may I say, from members of the opposition as well. It is exactly true. That is part of the process. Yes, when we sit down as members and go through the whole process, we tend to make better legislation in the end.

But let's not accuse one person of laying blame and pointing fingers. I think we should look in the mirror. The reality is that there is a federal government in place that has quite regressive policies. We cannot escape that as a provincial government or as members of a provincial Legislature, and to say the federal government is exonerated from any blame for the recession we have today is wrong; part of the problem does lie with the federal government. But it is up to us as members to work together at trying to find solutions for the people of Ontario. Sitting here as we do in question period, with some interesting points made that are quite colourful at times, I do not think we add to the civility of this House or the attempt to resolve some of the problems for the people of this province.

Mr Tilson: I have listened to the amendments put forward by the member for Mississauga North and the very reasoned arguments he put forward. I think our party has supported him on all those amendments and I believe the government has rejected all those amendments.

I find it strange that I hear the official opposition, the Liberal Party, indicating, at least so it would appear, that it is going to support this bill. My question to the member for Renfrew North is the same question I asked the member for Yorkview: When he realizes what this is going to

cost, when he starts realizing that the Ministry of Labour estimated in April that the average cost per claim would be roughly \$3,200 and that in July it crept up to \$4,200—I have no idea what it is now but I am certain that with the recession as described to us by the Treasurer it has increased even further.

I listened to the fear in the community, the fear that has been expressed by many of us in this House as to how this is going to be paid for, where the money is going to come from. I ask the same question of the member for Renfrew North, who has indicated he is going to be supporting this bill. Once we get past the seed money, once we get past the first 18 months, once we realize that many of the regulations are going to be—we in this House will not even see what is going to happen as to the definition of “wages,” so my question of the member for Renfrew North is the same question: How in the world is this going to be paid for?

Mr White: I want to respond briefly to the member for Renfrew North. He, as always, spoke brilliantly. I think at the outset he did indulge to some degree in some desultory philippics because he was goaded from our side and unfortunately did not direct himself properly through you, Mr Speaker.

I was thinking, though, of a couple of things he mentioned, the issue of responsibility and the issue of obfuscation. The member for Renfrew North has given us ample opportunity to learn from him marvellous skills in obfuscation, something perhaps someone on the west coast is learning now, but certainly not the members here present.

The energy devoted here to obfuscation and negativity about economic renewal, I think, is very unfortunate, especially given the concentration we have had in the last while on a real renewal which includes all of our country, not simply business, not simply the well-to-do, not simply the investors.

Also, he spoke of how this bill assists Mr Broadbent's ordinary Canadians. Mr Broadbent's ordinary Canadians live in all our ridings, in the riding of the member opposite riding as well as in my own. I am surprised that somehow these people are excluded from his universe. However, I am glad to hear that despite that exclusion, he is supporting the bill. Were he in opposition to it, Lord knows what fury he might mount.

Mr Elston: I rise to congratulate the member for Renfrew North on his comments. I have to say that I, like he, am concerned that this bill is, for those people who have lost their jobs, just a little hope and a very short term sort of fix for their situation.

I saw the member for Yorkview here not long ago speaking about how this would help them deal with the possible loss of ability to pay mortgages or buy food, or all of those things. The thing that has struck me most about this, as it is a short-term intervention on behalf of any worker who has lost his job, is the fact that there is no long-term creative strategy coming forth, no energy coming from this government whatsoever to really address the real problem.

The real problem is that there is no incentive to create jobs and to maintain jobs in this province. Over the last

five or six years there have been lots of people saying it costs too much to do business in this province and that it is onerous, that there is a whole series of problems associated with this, and that has resulted not just from one administration, but from administrations of all three parties.

1740

What we have to do is not just tell these people who have lost their jobs that this will save them—because it will not; it merely gets them by a rough spot—but that we are going to dedicate ourselves to making it less onerous to be employed and to be an employer, and make it more enjoyable and acceptable to be resident and employed and working productively in this province.

None of the people in this Legislature represent parties that have not participated in a problem that has gained new momentum, against doing business here. I have to say that is a sad comment. We have to get on with doing real work for people permanently.

Mr Conway: I am interested in some of what has been said by the member for Cochrane South, the member for Yorkview and the member for Durham Centre. I think it would be a good use of the growing budget in the Board of Internal Economy for somebody in the Speaker's office to organize a little seminar for some of our good, newly elected friends who clearly do not understand how the British parliamentary system works. It never ceases to amaze me that they just do not seem to have any idea. They seem to think they are running some kind of plebiscitarian democracy, where they once win an election and that gives them carte blanche to do whatever the hell they want anywhere, any time and on anything for the next five years. I am sorry; it does not work that way.

Hon Mr Hampton: Sean, that was the last government.

Mr Conway: The last government may have done that and it got what governments sometimes get.

I want to deal with my friend from Orangeville who said, “How are we going to pay for this?” We are going to have to look very seriously at how we pay for this. It is going to cost money. I am opposed to a payroll tax. I recognize that it is going to take money. It is going to take—

Hon Mr Pouliot: You sat right here and you voted for that same guy.

The Deputy Speaker: Order.

Mr Conway: Mr Speaker, I have the floor and my friend the member for Lake Nipigon should not engage in the debate.

In these recessionary times, a payroll tax is an unacceptable and undue burden on the part of the community that we expect to create the new wealth, the new employment and the new jobs across the province. I argue that we should find the money to a large extent from within.

I do not know whether anybody noticed, but last week the Treasurer stood up and said he would have to find \$215 million of real money to support the teachers' pension fund, almost a quarter of a billion dollars. If we can do that for some of the most protected people in the community, we owe it to those men and women who are largely in the private sector with relatively little in comparison to some

of these very powerful, well-established interests to find the money from within so they can have some equity and fairness and protection.

Mr Tilson: I would like to relate two major concerns our party finds in objection to this bill, which appears to be supported by the Liberal Party. Those objections are two-fold. There are items in this bill that are being delegated away from this House. Things will get passed that we will not even know are being passed.

Specifically, with respect to increasing the severance and termination pay threshold, that could be passed by regulation, the maximum amount of compensation could be increased by regulation and the whole definition of "wages" can be changed by regulation. Those topics should be dealt with by this House. I have asked specific questions in this House as to how this legislation is going to be paid for, and I tell the members who is going to have to pay for it: the taxpayers of this province.

We saw how the last government spent, I think, 32 or 33 tax increases in the period it was in power. This government, the NDP, went around the province in the last election and literally tore them apart for the increases they put on the people of this province. Businesses are moving away from this province because of the very things the government is about to do. How else are they going to fund it? I will tell them how they are going to fund it: It is going to be through the payroll taxes. There is no question that is what they have planned, and for that reason we are dead opposed to supporting this bill.

Mr Hope: I have just one quick comment dealing with the whole issue. We would not need this legislation if those who were owed money were paid the money and the corporations were liable to their employees. This bill would not be required. There is a federal policy out there making sure that people are leaving this country and workers are being victimized. It is very important that if the federal government changed its economic policies and got rid of its trade deal, we would not need a wage protection fund to protect those wages earned by individuals.

Mr Bradley: Mr Speaker, I have two minutes to go here, so I will simply offer this. It has been an interesting debate. In my office I had the opportunity to watch the member for Renfrew North making his presentation and talking about some of the concerns people out there would have about this bill and some of the interventions that have been made today.

Once again I must emphasize to members of the House that the member was quite correct when he said that the initial concerns about the bill are ones that remain in the minds of many people in this province. But the modifications that have been made have made it a much better bill than the original one that was presented to the House.

Those of us in the Liberal Party have not taken a dogmatic stand on this. We have looked at this legislation and we believe it is required. People who are in the circumstances of losing their jobs seem to be last in line to get at least some semblance of the money owing to them. It is not something they do not have coming to them. This is money owing to workers in this province. I think a lot of

people forget that when they are making their interventions in this House. We believe there should be a mechanism for them to retain or to get back at least part of that money.

I think initially the bill gathered a lot of opposition because it had some provisions that were going to be difficult for individuals, that would discourage people from serving on boards of directors of companies and that might have influenced non-profit organizations. However, with the changes made to this legislation, this particular compromise, we have a bill most people who are fairminded and know what is in the bill would be prepared to accept. As I indicated earlier in the day, this is a good example of the parliamentary system working best.

Mr Stockwell: The very great concern I have is that the bill is dealt with as if the only person who suffers any hardship during a bankruptcy would be the individual who worked for the company. Yes, for all intents and purposes they do suffer a hardship, but there are many creditors out there who suffer hardship. Members should look at the creditor of a small business who is owed a lot of money. Should a large company go bankrupt, those people are left hanging out to dry. They do not receive their money. They stand in line and they clearly are not given any consideration in the lineup at the banks.

Interjections.

The Deputy Speaker: The member for Welland-Thorold, order, please.

Mr Stockwell: The bank is not the only one that should receive any payment, should a company go bankrupt. Those are small businesses. They are run by individuals. They suffer equally. In fact, they just go out of business due to bad debts. It happens all the time.

The next point I would like to make is that I will make a prediction in this House that two years from today this will become a payroll tax. Within the next two years this government will find out that it is going to have to foist this on the private industry.

Mr Kormos: You just don't care about the workers. You just don't give a tinker's dam.

Mr Stockwell: It is a shame that Curly and Larry did not get elected too, Peter.

They are going to find out that they are going to have to pay for this through the private sector and a payroll tax. That payroll tax will be another tax on businesses that will force businesses out of this province. If the suggestion is made that the timing is right on this tax, it is not. Businesses cannot afford these kinds of incurred costs. I will wager that in two years this government will make this a payroll tax, because the people cannot afford it.

Mr Bisson: When the honourable member speaks about securing liabilities on the part of other people who are owed money, the thing he is missing is that a lot of these people are secured through the Bankruptcy Act. The problem is that the workers are not. The workers have no other recourse in order to get their money back.

If the member is implying that somehow those people who are owed money, other than workers, are somehow more important because they need to be at the head of the line ahead of time, I beg to differ. It is not that small

business persons who are owed money because of supplies or services given to a company are not important, but they have mechanisms by which to have some of their money secured. The workers have not.

1750

Mr Stockwell: You can't get blood from a stone.

Mr Bisson: The member says you cannot get blood from a stone. That is quite correct. But what we are interested in doing in this province is at least making sure that the rules that are set forward on how we do business in this province have a certain amount of equity, that workers can measure up equally to those to whom money is owed by other people, those who are owed money for services they may have provided.

The problem is that we need to put together—

Interjections.

Mr Bisson: It is quite difficult sometimes when everybody is heckling over here. The problem is that we need to put together bills such as this in order to put some equity within our system. We need to make sure that at the end of the day the rights of the workers are not any more important or any less important than those of other creditors. That is what this bill is speaking to.

The other point the member talks about is that he is worried this is a payroll tax. It is not a payroll tax. This money is being taken from general revenue. Neither the government nor the minister nor anybody else on this side of the House has ever advocated that this should be put into a payroll tax.

The member for Renfrew North stood up in this House a little while ago to say he was opposed to those types of taxes. What happened in regard to the employer health tax? If I remember correctly, if I go and look at Hansard, he voted for that tax, so he should not stand in this House and tell me he is opposed. We need to work together; we need to be able to put legislation like this together. I think this is a good example of how, by working together, we can put together good legislation for the people of this province.

The Deputy Speaker: Thank you. The member for Dufferin-Peel has two minutes to reply.

Mr Tilson: The concern we have in this province is the loss of jobs and the reason businesses and people are leaving this province. The reason is the lack of confidence in this government. All members have to do is read the newspapers and talk to their constituents. I can tell them that the people who have come into my office are afraid of losing their jobs. Businesses in my own riding are going out of business; companies are going out of business. They are leaving the province. I have one particular company in my riding, Canada Wire, which is moving to Winnipeg.

There is no question that the whole reason this government is doing it is to try and solve the problem of businesses going bankrupt and the effect on the employees who are losing their jobs. I appreciate that. However, the old question comes back: How are they going to pay for it? My final words are that we all know who is going to pay for it. The taxpayer in this province is going to pay for it. I say that with this recession we cannot afford it.

The Deputy Speaker: Are there any other members who wish to participate in the debate? If not, the minister.

Hon Mr Mackenzie: I will be very brief. First, I want to say that I was pleased to hear the member for Renfrew North indicate that for some good, sound and I think maybe even old-fashioned Liberal principles he was supporting the bill, even though there were things about it he did not like. I want to point out to him that we did make a number of amendments relatively early on, as most members in this House know, to areas that concerned people about this particular piece of legislation.

The bill itself does deal with workers who have earned the money that is owed to them and who are not able to collect it. As to who is going to pay for it, let me make it clear that we decided in our discussions that the first 18 months would be general revenue. I am talking now about when we first looked at the bill. That is where it is, in general revenue. What are we going to do with it in the future? Obviously we want to leave some leeway for the Treasurer and find out what is going to happen.

I want to make one further brief comment on that. We came right out with general revenue on this, even though it is an area in which I have heard members opposite accusing us of wanting a payroll tax and all the rest of it. Some of us may even have had that idea. But when we saw the first piece of federal legislation, which I suspect will not see the light of day, it had a payroll tax in it. That is the Conservatives' federal cousins. It was not until the pressure was on there that they now seemed to have changed it. That is one of the reasons I am not sure they will even proceed with the rest of the bill.

Interjections.

The Deputy Speaker: Order, please.

Hon Mr Mackenzie: What will happen in 18 months? A decision will be made collectively at that time. It may very well stay the way it is; it may not.

The other point I want to make is that one of the things we are trying to do in this Legislature—and the members opposite do not have to accept it; I do not really expect that many of them will; I know how rough I could be on the other side of the House as well—is make some changes that allow us to deal with the kind of economic situation we have, the kinds of trade deals we have and the kind of unemployment we have in this country. Workers who have actually earned their money and who were promised that money under some federal legislation for a number of years, at least for the eight or nine I was raising it in this House, have not had an answer to that. We are trying to see that they get some of the money they have actually earned.

The other point was also referred to by the member for Renfrew North. Sure, we have taken a serious look at labour legislation in Ontario. There is a reason for that as well. We are going to need all the people in this province and this country working together. We are going to have to change what even these folks admit has been the pattern—and that is confrontation, not co-operation—between business and labour in this province. That is going to have to be changed.

One of the ways we will do that is by bringing about a little more fairness. I guess the question in everybody's mind is, what is fairness? The intent is not to set up labour, in terms of wages earned, in the driver's seat. The intent is to try and see if we can come up with a means of working co-operatively, not confrontationally, with labour and management in this province. That is absolutely essential if we are going to make basic changes in the way we do business in Ontario.

In conclusion, there are several thousand workers who are entitled to money they have earned, over 2,000 to whom we hope to have the cheques out in the first week. That is now a reality for these workers. For that I thank the House and the members for letting the legislation through.

1809

The House divided on Mr Mackenzie's motion for third reading of Bill 70, which was agreed to on the following vote:

La motion de M. Mackenzie pour la troisième lecture du projet de loi 70, mise aux voix, est adoptée :

Ayes/Pour-81

Abel, Beer, Bisson, Bradley, Brown, Caplan, Carter, Charlton, Christopherson, Churley, Conway, Cooke, Cooper, Coppen, Dadamo, Daigeler, Drainville, Duignan, Elston, Farnan, Fawcett, Ferguson, Fletcher, Frankford, Gigantes, Grandmaître, Haeck, Hampton, Hansen, Harrington, Haslam, Hayes, Henderson, Hope, Huget, Jamison, Johnson, Klopp, Kormos, Lankin, Laughren, Lessard,

Mackenzie, MacKinnon, Malkowski, Mammoliti, Marchese, Martel, Martin, Mathysen, McGuinty, Miclash, Mills, Morrow, Murdock, S., O'Connor, Offer, O'Neill, Y., Owens, Perruzza, Philip, E., Phillips, G., Pilkey, Poirier, Poole, Pouliot, Rizzo, Silipo, Sutherland, Ward, B., Ward, M., Waters, Wessenger, White, Wildman, Wilson, F., Wilson, G., Winninger, Wiseman, Wood, Ziemba.

Nays/Contre-14

Arnott, Carr, Cousens, Cunningham, Eves, Harnick, McLean, Murdoch, B., Runciman, Sterling, Stockwell, Tilson, Turnbull, Wilson, J.

The House adjourned at 1813.

**LEGISLATIVE ASSEMBLY OF ONTARIO
ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO**

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Beer, Charles (York North/-Nord L)

Bisson, Gilles (Cochrane South/-Sud ND) PA to Minister of Northern Development and Mines, PA to minister responsible for francophone affairs, Vice-Chair, select committee on Ontario in Confederation/
Ap du ministre du Développement du Nord et des Mines, ap du ministre délégué aux Affaires francophones, vice-président du Comité spécial sur le rôle de l'Ontario au sein de la Confédération

Boyd, Hon/L'hon Marion (London Centre/-Centre ND)
Minister of Education, minister responsible for women's issues/Ministre de l'Éducation, ministre déléguée à la Condition féminine

Bradley, James J. (St Catharines L) opposition House leader/ Chef parlementaire de l'opposition

Brown, Michael A. (Algoma-Manitoulin L) Vice-Chair, standing committee on general government/ Vice-Président du Comité permanent des affaires gouvernementales

Buchanan, Hon/L'hon Elmer (Hastings-Peterborough ND)
Minister of Agriculture and Food/Ministre de l'Agriculture et de l'Alimentation

Callahan, Robert V. (Brampton South/-Sud L) Chair, standing committee on public accounts/Président du Comité permanent des comptes publics

Caplan, Elinor (Oriole L) Chair, standing committee on social development/Présidente du Comité permanent des affaires sociales

Carr, Gary (Oakville South/-Sud PC)

Carter, Jenny (Peterborough ND) PA to Minister of Citizenship, responsible for human rights, disability issues, seniors' issues and race relations/Ap de la ministre des Affaires civiques, déléguée aux Droits de la personne, aux Affaires des personnes handicapées, aux Affaires des personnes âgées et aux Relations interraciales

Charlton, Hon/L'hon Brian (Hamilton Mountain ND)
Minister of Financial Institutions/Ministre des Institutions financières

Chiarelli, Robert (Ottawa West/-Ouest L)

Christopherson, David (Hamilton Centre/-Centre ND)
PA to Treasurer of Ontario and Minister of Economics/ Ap du Trésorier de l'Ontario et du ministre de l'Économie

Churley, Hon/L'hon Marilyn (Riverdale ND) Minister of Consumer and Commercial Relations/Ministre de la Consommation et du Commerce

Cleary, John C. (Cornwall L)

Conway, Sean G. (Renfrew North/-Nord L)

Cooke, Hon/L'hon David (Windsor-Riverside ND) Minister of Municipal Affairs, government House leader/ Ministre des Affaires municipales, chef parlementaire du gouvernement

Cooper, Mike (Kitchener-Wilmot ND) Chair, standing committee on administration of justice; deputy government whip/ Président du Comité permanent de l'administration de la justice, whip adjoint du gouvernement

Coppen, Hon/L'hon Shirley (Niagara South/-Sud ND)
Minister without Portfolio, chief government whip/ Ministre sans portefeuille, whip en chef du gouvernement

Cordiano, Joseph (Lawrence L) Vice-Chair, standing committee on social development/Vice-Président du Comité permanent des affaires sociales

Cousens, W. Donald (Markham PC)

Cunningham, Dianne (London North/-Nord PC) Progressive Conservative chief whip/Whip en chef du Parti progressiste-conservateur

Curling, Alvin (Scarborough North/-Nord L) opposition deputy whip/whip adjoint de l'opposition

Dadamo, George (Windsor-Sandwich ND) PA to Minister of Transportation/Ap du ministre des Transports

Daigeler, Hans (Nepean L)

Drainville, Dennis (Victoria-Haliburton ND) PA to Minister of Municipal Affairs; Chair, select committee on Ontario in Confederation/Ap du ministre des Affaires municipales, président du Comité spécial sur le rôle de l'Ontario au sein de la Confédération

Duignan, Noel (Halton North/-Nord ND) Chair, standing committee on the Legislative Assembly; Co-Chair, special committee on the parliamentary precinct/Président du Comité permanent de l'Assemblée législative, coprésident du Comité extraordinaire de l'enceinte parlementaire

Elston, Murray J. (Bruce L) Leader of the Official Opposition/ Chef de l'opposition officielle

Eves, Ernie (Parry Sound PC) Progressive Conservative House leader/Chef parlementaire du Parti progressiste-conservateur

Farnan, Mike (Cambridge ND) First Deputy Chair of the Committee of the Whole House/Premier vice-président du Comité plénier de l'Assemblée législative

Fawcett, Joan M. (Northumberland L)

Ferguson, Hon/L'hon Will (Kitchener ND) Minister of Energy/Ministre de l'Énergie

Fletcher, Derek (Guelph ND) PA to Minister of Consumer and Commercial Relations/Ap du ministre de la Consommation et du Commerce

Frankford, Robert (Scarborough East/-Est ND)

Gigantes, Hon/L'hon Evelyn (Ottawa Centre/-Centre ND)
Minister of Housing/Ministre du Logement

Grandmaitre, Bernard C. (Ottawa East/-Est L)

Grier, Hon/L'hon Ruth A. (Etobicoke-Lakeshore ND)
Minister of the Environment, minister responsible for the greater Toronto area/Ministre de l'Environnement, ministre responsable du Bureau de la région du grand Toronto

- Haeck, Christel (St. Catharines-Brock ND)
- Hampton, Hon/L'hon Howard** (Rainy River ND) Attorney General/Procureur général
- Hansen, Ron (Lincoln ND) Chair, standing committee on finance and economic affairs/Président du Comité permanent des finances et des affaires économiques
- Harnick, Charles (Willowdale PC)
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- Harris, Michael (Nipissing PC) leader of the Progressive Conservative Party/Chef du Parti progressiste-conservateur
- Haslam, Hon/L'hon Karen** (Perth ND) Minister of Culture and Communications/Ministre de la Culture et des Communications
- Hayes, Pat (Essex-Kent ND) PA to Minister of Agriculture and Food (agriculture)/Ap du ministre de l'Agriculture et de l'Alimentation (agriculture)
- Henderson, D. James (Etobicoke-Humber L)
- Hope, Randy R. (Chatham-Kent ND) PA to Minister of Community and Social Services/Ap du ministre des Services sociaux et communautaires
- Huget, Bob (Sarnia ND) PA to Minister of Energy/Ap du ministre de l'Énergie
- Jackson, Cameron (Burlington South/-Sud PC) Chair, standing committee on estimates/Président du Comité permanent des budgets des dépenses
- Jamison, Norm (Norfolk ND) PA to Minister of Industry, Trade and Technology, responsible for small business/Ap du ministre de l'Industrie, du Commerce et de la Technologie, délégué aux Affaires des petites entreprises
- Johnson, Paul R. (Prince Edward-Lennox-South Hastings/Prince-Edward-Lennox-Hastings-Sud ND) PA to Minister of Revenue/Ap du ministre du Revenu
- Jordan, W. Leo (Lanark-Renfrew PC)
- Klopp, Paul (Huron ND) PA to Minister of Agriculture and Food (food)/Ap du ministre de l'Agriculture et de l'Alimentation (alimentation)
- Kormos, Peter (Welland-Thorold ND) Chair, standing committee on resources development/Président du Comité permanent du développement des ressources
- Kwinter, Monte (Wilson Heights L)
- Lankin, Hon/L'hon Frances** (Beaches-Woodbine ND) Minister of Health, minister responsible for the provincial anti-drug strategy/Ministre de la Santé, ministre déléguée à la Stratégie antidrogue provinciale
- Laughren, Hon/L'hon Floyd** (Nickel Belt ND) Deputy Premier, Treasurer of Ontario and Minister of Economics/Vice-premier ministre, Trésorier de l'Ontario et ministre de l'Économie
- Lessard, Wayne (Windsor-Walkerville ND) PA to Minister of Colleges and Universities/Ap du ministre des Collèges et Universités
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- Mahoney, Steven W. (Mississauga West/-Ouest L) chief opposition whip/Whip en chef de l'opposition
- Malkowski, Gary (York East/-Est ND) PA to Minister of Citizenship, responsible for human rights, disability issues, seniors' issues and race relations/Ap de la ministre des Affaires civiques, déléguée aux Droits de la personne, aux Affaires des personnes handicapées, aux Affaires des personnes âgées et aux Relations interraciales
- Mammoliti, George (Yorkview ND) PA to minister responsible for the provincial anti-drug strategy/Ap de la ministre déléguée à la Stratégie antidrogue provinciale
- Mancini, Remo (Essex South/-Sud L) Chair, standing committee on general government/Président du Comité permanent des affaires gouvernementales
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- McLeod, Lyn (Fort William L)
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- O'Neil, Hugh P. (Quinte L)
- O'Neill, Yvonne (Ottawa-Rideau L) opposition deputy whip/Whip adjointe de l'opposition
- Owens, Stephen (Scarborough Centre/-Centre ND) PA to Minister of Financial Institutions, government whip/Ap du ministre des Institutions financières, whip du gouvernement
- Perruzza, Anthony (Downsview ND) PA to Minister for Skills Development/Ap du ministre de la Formation professionnelle

Philip, Hon/L'hon Ed (Etobicoke-Rexdale ND) Minister of Industry, Trade and Technology/Ministre de l'Industrie, du Commerce et de la Technologie

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Pilkey, Hon/L'hon Allan (Oshawa ND) Solicitor General, Minister of Correctional Services/Solliciteur général, ministre des Services correctionnels

Poirier, Jean (Prescott and Russell/Prescott et Russell L)

Poole, Dianne (Eglinton L) Vice-Chair, standing committee on public accounts/Vice-Présidente du comité permanent des comptes publics

Pouliot, Hon/L'hon Gilles (Lake Nipigon/Lac-Nipigon ND) Minister of Transportation, minister responsible for francophone affairs/Ministre du Transport, ministre délégué aux Affaires francophones

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Sullivan, Barbara (Halton Centre/-Centre L)

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Swarbrick, Anne (Scarborough West/-Ouest ND)

Tilson, David (Dufferin-Peel PC)

Turnbull, David (York Mills PC)

Villeneuve, Noble (S-D-G & East Grenville/S.-D.-G. & Grenville-Est PC) Second Deputy Chair of the Committee of the Whole House/Deuxième vice-président du Comité plénier de l'Assemblée législative

Ward, Brad (Brantford ND) PA to Minister of Industry, Trade and Technology with responsibility for trade and technology/Ap du ministre de l'Industrie, du Commerce et de la Technologie et délégué au Commerce et à la Technologie

Ward, Margery (Don Mills ND) PA to Minister of Government Services/Ap du ministre des Services gouvernementaux

Wark-Martyn, Hon/L'hon Shelley (Port Arthur ND) Minister of Revenue/Ministre du Revenu

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Waters, Daniel (Muskoka-Georgian Bay/Muskoka-Baie-Georgienne ND) PA to Minister of Tourism and Recreation; Vice-Chair, standing committee on resources development/Ap du ministre du Tourisme et des Loisirs, vice-président du Comité permanent du développement des ressources

Wessinger, Paul (Simcoe Centre/-Centre ND) PA to Minister of Health/Ap de la ministre de la Santé

White, Drummond (Durham Centre/-Centre ND)

Wildman, Hon/L'hon Bud (Algoma ND) Minister of Natural Resources, minister responsible for native affairs/Ministre des Ressources naturelles, ministre délégué aux Affaires autochtones

Wilson, Hon/L'hon Fred (Frontenac-Addington ND) Minister of Government Services/Ministre des Services gouvernementaux

Wilson, Gary (Kingston and The Islands/Kingston et Les Îles ND) PA to Minister of Culture and Communications/Ap de la ministre de la Culture et des Communications

Wilson, Jim (Simcoe West/-Ouest PC)

Winninger, David (London South/-Sud ND) PA to Attorney General, PA to minister responsible for native affairs/Ap du Procureur général, ap du ministre délégué aux Affaires autochtones

Wiseman, Jim (Durham West/Durham-Ouest ND) PA to Minister of Correctional Services/Ap du ministre des Services correctionnels

Witmer, Elizabeth (Waterloo North/-Nord PC)

Wood, Len (Cochrane North/-Nord ND) PA to Minister of Natural Resources/Ap du ministre des Ressources naturelles

Ziemba, Hon/L'hon Elaine (High Park-Swansea ND) Minister of Citizenship, minister responsible for human rights, disability issues, seniors' issues and race relations/Ministre des Affaires civiques, déléguée aux Droits de la personne, aux Affaires des personnes handicapées, aux Affaires des personnes âgées et aux Relations interraciales

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Mammoliti, Bill Murdoch, Margery Ward, Paul Wessinger,
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Drummond White
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Règlements et projets de loi privés**

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Stephen Owens, Paul Wessinger, Jim Wilson, Elizabeth Witmer
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Ontario in Confederation/

Rôle de l'Ontario au sein de la Confédération

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Vice-Chair/Vice-Président: Gilles Bisson
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Irene Mathysen, Steven Offer, Yvonne O'Neill, David Winninger
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Co-Chair/Coprésident: Noel Duignan
Members/Membres: Dianne Cunningham, Remo Mancini,
Kimble Sutherland
Clerk/Greffier: Smirle Forsyth

CONTENTS

Tuesday 15 October 1991

Members' statements

Education policy	2895
Mr Bradley	
Liquor stores	2895
Mr Tilson	
Queen's University sesquicentennial	2895
Mr G. Wilson	
Thunder Bay shopping plan	2895
Mrs McLeod	
Health insurance	2896
Mr Callahan	
Donna Lailey	2896
Ms Haeck	
Development charges	2896
Mr Beer	
Northern health travel grants	2896
Mr Eves	
Public safety	2897
Ms Carter	
Ministerial statements	2897
The Speaker	
Parliamentary procedure	2897
The Speaker	
Land registration	2898
The Speaker	
Cabinet members	2898
Mr Rae	
Mr Elston	
Mr Eves	

Statements by the ministry

Midwifery	2899
Mr Cooke	
Hunting and fishing in Algonquin Park	2899
Mr Wildman	

Responses

Hunting and fishing in Algonquin Park	2900
Mr Ramsay	
Midwifery	2900
Mr Phillips	
Mr Daigeler	
Mr J. Wilson	
Hunting and fishing in Algonquin Park	2901
Mr McLean	

Investigation into release of documents	2902
Mr Elston	

Oral questions

Food banks	2902
Mr Elston	
Mr Rae	
Mrs McLeod	
Retail store hours	2903
Mr Sorbara	
Mr Pilkey	
Appointments review	2904
Mr Runciman	
Mr Rae	
Constitutional reform	2905
Mr Eves	
Mr Rae	
Salary of Ontario Hydro chairman	2906
Mr Conway	
Mr Ferguson	
Political activity by police officers	2907
Mr Runciman	
Mr Pilkey	
International trade	2908
Mr Mills	
Mr Philip	
Use of courier services	2908
Mr Scott	
Mr F. Wilson	
Niagara Escarpment	2908
Mr B. Murdoch	
Mrs Grier	
Border communities assistance fund	2909
Ms Harrington	
Mr Philip	
Pay equity	2909
Ms Poole	
Mr Mackenzie	
Technological training	2909
Mrs Cunningham	
Mr Silipo	
Conservation	2910
Mr Johnson	
Mr Wildman	
Garbage disposal	2911
Mr McClelland	
Mrs Grier	
Visitor	2907
The Speaker	
Newspaper report	2911
Mr White	

Petitions

Oath of allegiance	2911
Mr J. Wilson	
Mr Beer	

Tobacco taxes	2912
Mr Carr	
Oath of allegiance	2912
Mrs McLeod	
Tobacco taxes	2912
Mrs Cunningham	

First readings

City of Toronto Act, 1991, Bill Pr80	2912
Mr Marchese	
Agreed to	2912
City of Toronto Act, 1991, Bill Pr86	2912
Mr Marchese	
Agreed to	2912

Committee of the whole House

Employment Standards Amendment Act (Employee Wage Protection Program), 1991, Bill 70	2912
Bill reported	2913

Third readings

Employment Standards Amendment Act (Employee Wage Protection Program), 1991, Bill 70	2913
Mr Mackenzie	2913
Mr Sterling	2914
Mr Bradley	2914
Mr Offer	2914
Mrs Y. O'Neill	2918
Mr Harnick	2918
Mr Mammoliti	2920
Mr Tilson	2921
Mr Conway	2922
Mr Bisson	2924
Mr White	2925
Mr Elston	2925
Mr Hope	2926
Mr Stockwell	2926
Mr Mackenzie	2927
Agreed to	2928

Lists of members

Members and their responsibilities Committees of the Legislative Assembly

TABLE DES MATIÈRES

Le mardi 15 octobre 1991

Comité plénier de l'Assemblée législative

Loi de 1991 modifiant la Loi sur les normes d'emploi, (Programme de protection des salaires des employés), projet de loi 70	2912
Le projet de loi fait l'objet d'un rapport	2913

Troisième lecture

Loi de 1991 modifiant la Loi sur les normes d'emploi, (Programme de protection des salaires des employés), projet de loi 70	2913
Adoptée	2928

Listes des députés

Les députés et leurs responsabilités Comités de l'Assemblée législative



69 1991

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Legislative Assembly of Ontario

First Session, 35th Parliament

Official Report of Debates (Hansard)

Wednesday 16 October 1991

Assemblée législative de l'Ontario

Première session, 35^e législature

Journal des débats (Hansard)

Le mercredi 16 octobre 1991



Speaker
Honourable David Warner

Clerk
Claude L. DesRosiers

Président
L'honorable David Warner

Greffier
Claude L. DesRosiers



Table of Contents

Table of Contents for proceedings reported in this issue appears at the back, together with an alphabetical list of members of the Legislative Assembly of Ontario.

Reference to a cumulative index of previous issues may be obtained by calling the Hansard Reporting Service indexing staff at (416) 325-7400.

Numbering of Hansard

Effective with the opening of the Second Session of the 35th Parliament, Hansard issues and pages will once again be numbered on a sessional basis. Hansard numbering therefore will become consistent with Orders and Notices and Votes and Proceedings, and with other parliamentary publications throughout Canada.

For the last two years Hansard has been numbered according to the calendar year. Under this system, the numbering of issues and pages was restarted with the first issue in the calendar year, regardless of session or Parliament.

Under the new system, the sequence of numbering started in January 1991 will end with the final House and committee sittings of the present First Session. A new sequence will begin on the opening day of the Second Session, and each succeeding session, which will be issue 1 and begin with page 1. Committee reports likewise will be numbered from the first sitting of each committee in a parliamentary session.

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Table des matières

La table des matières des séances rapportées dans ce numéro se trouve à l'arrière de ce fascicule, ainsi qu'une liste alphabétique de députés de l'Assemblée législative de l'Ontario.

Il existe un index cumulatif des numéros précédents. Les renseignements qu'il contient sont à votre disposition par téléphone auprès des employés de l'index du Journal des débats au (416) 325-7400.

Numérotation du Journal des débats

A partir du début de la deuxième session de la 35^e législature, les pages et les numéros du Journal des débats seront de nouveau numérotés par session. La numérotation du Journal des débats correspondra donc à celle de Feuilleton et Avis et de Procès-verbaux, ainsi que celle des autres publications parlementaires au Canada.

Depuis deux ans, le Journal des débats était numéroté par année civile. Avec ce système, la numérotation des numéros et des pages recommençait au premier numéro de l'année civile, quelle que soit la session ou la législature.

Avec le nouveau système, la numérotation commencée en janvier 1991 s'arrêtera à la dernière séance de la Chambre et des comités de l'actuelle première session. Une nouvelle série commencera le jour de l'ouverture de la deuxième session et des sessions suivantes : numéro 1, page 1. Les rapports des comités seront également numérotés à partir de la première séance de chaque comité pour une session parlementaire donnée.

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LEGISLATIVE ASSEMBLY OF ONTARIO

Wednesday 16 October 1991

The House met at 1330.

Prayers.

MEMBERS' STATEMENTS

CLOSING OF TREE NURSERIES

Mr Miclash: It has come to my attention that the Ministry of Natural Resources is planning to shut down the bare root stock nurseries in Orono, Thessalon and Dryden. There have been several newspaper reports which clearly outline the local employment and economic implications of this action, which would further destabilize already precarious local economies.

I will speak to the situation in Dryden, though obviously the three situations are similar in all but climate.

It has been pointed out that the growing conditions in Dryden differ from the proposed amalgamation site in Thunder Bay. There is a greater chance of frost and wind damage in Thunder Bay since it has frequent periods of cold weather and a smaller amount of insulating snow. It seems only reasonable that trees adapted to the local climate would have a competitive biological advantage.

There is also an expectation that the added distance from nursery to planting site will increase the potential for damage to planting stock and security of supply.

While we all hope changes are made to reduce the impacts of harvesting on the environment, no one can ignore the great strides that have been made in making forest operations more environmentally benign. A large part of this can be attributed to the predictable supply of high-quality replanting stock produced by conscientious and concerned workers. While artificial regeneration is not the only answer, it would be foolish to eliminate an important tool in the battle to ensure a future forest.

CALEDON INFORMATION AND COMMUNITY SERVICES

Mr Tilson: I would like to extend sincere congratulations to the newly renamed Caledon Information and Community Services, formerly Caledon Information Centre, on its 20th anniversary to be celebrated this Friday, October 19.

In 1971, the Bolton Contact Centre was established to provide support to Bolton area residents. As the area has grown, the need for additional services has also grown, and today the Caledon Information and Community Services centre offers critically needed support in a variety of areas.

Caledon Information and Community Services is continually working on various projects aimed towards the establishment of essential community support services such as transit for the disabled in rural areas, a home support services directory and the Caledon assistance fund, which provides posters to be used at local grocery stores.

Caledon Information and Community Services' vision of a three-location multiservice centre located in Bolton,

Caledon East and Alton has recently become a reality. This multiservice centre now offers Caledon area residents access to various human service agencies and direct-service government departments without going outside their own community.

I commend the effort and dedication of all those who have played a role in the success of Caledon Information and Community Services over the past 20 years. I truly believe this organization has been and continues to be an excellent investment in the future of the residents of Caledon.

CHEMICAL SPILL

Mrs Mathysen: On Sunday, August 10, at about 7:55 am, a CN freight train derailed at Longwood near the community of Melbourne in Middlesex. Freight cars were twisted and strewn about the site and a vaporous white plume of chlorosulfonic acid rose over the track and drifted southward towards the homes and farms in the immediate area.

The train crew quickly surveyed the situation and notified the CN control centre. In turn, CN notified the appropriate officials and agencies. Within minutes, officers from the Ontario Provincial Police were on the scene to divert traffic, set up roadblocks and evacuate area residents.

Others who responded to the crisis were the Glencoe and Melbourne fire departments, the CN response team, Du Pont, the owner of the spilled chemicals and representatives from four Ontario government ministries, as well as St John Ambulance, the London-Middlesex medical officer of health and the reeves of the two affected townships.

Every precaution was taken to ensure the safety of residents and that proper cleanup was undertaken. Houses were washed down, the air monitored, crops tested, livestock attended by a veterinarian, contaminated site soil removed and the site restored. The Ministry of the Environment continues to monitor area wells.

What I want to convey to the House is the prompt, effective and professional conduct of those who served my constituents so well. Among them were Paul Phillips and Robert Bailey of the OPP; Don Agar, Ministry of Agriculture and Food; Geoff Chandler, Ministry of Community and Social Services; Charlie Murray, Rod Baird and Dan Boehm, Ministry of the Environment; Dr Doug Pudden; Maureen Griffiths, Ministry of the Solicitor General; Joel Blackmore, reeve of Ekfrid, and John Groenenwegen, reeve of Caradoc. Thanks to all.

HUNTING AND FISHING IN ALGONQUIN PARK

Mr McClelland: Last Thursday, in response to a question from the member for Timiskaming, the Minister of the Environment responded in the following manner:

"I am still the champion of the environment but, unlike previous ministers of the Environment, I am not alone in my cabinet in championing the environment. I am one of a

collectivity of champions of the environment within our cabinet."

She went on to indicate she would consult with the Minister of Natural Resources about the advisability of moving forward with the request for an environmental assessment, a request filed by the Ad Hoc Committee to Save Algonquin Park.

I can only assume that her good sense and past record on environmental assessment was sacrificed at the door of the Whitney Block as some sort of offering to the good Minister of Natural Resources.

If she and her cabinet colleagues are such champions of the environment, why did the ad hoc committee not receive any communication from her office? There have been no letters, telephone calls or faxes sent by the Ministry of the Environment as of noon today. The Minister of Natural Resources made his decision and, in the result, effectively made the decision for the Minister of the Environment as well.

The citizens making the request surely deserve at least a response from the Minister of the Environment, at least a phone call perhaps, to discuss the validity of their request.

I say to the Minister of the Environment, if this is a cabinet full of champions of the environment and consultation, she has a big selling job to do in the ridings of Muskoka-Georgian Bay, Victoria-Haliburton, Parry Sound, Hastings-Peterborough, Frontenac-Addington and Renfrew North, to name but a few of the ridings where the Minister of the Environment has to sell the idea that she is the champion once again.

AREAS OF NATURAL AND SCIENTIFIC INTEREST

Mr B. Murdoch: I would like to bring to the attention of the House the complete disregard shown to my constituents by the Ministry of Natural Resources office in Owen Sound. This local office has announced to my people that its staff will survey private property, looking for areas which they believe are of natural and scientific interest.

If a land owner objects to this intrusion, a local official has said the ministry will not trespass, but it threatens it will not give any assistance if the land owner wishes to have his or her property rezoned. As well, the local office has told people that if they wish to have the "areas of natural and scientific interest" designation removed, they must pay for their own geologist's expert opinion, and even if this is accepted by the ministry, a public meeting on the issue still has to be held.

This heavy-handedness cannot be allowed to continue. Since there is no mention of ANSI in the Planning Act, nor are they covered under any of the ministry's legislation, the perception exists that local officials are frightening and antagonizing my constituents on a whim.

1340

I have tried on numerous occasions to contact the minister's staff in Toronto by phone on this issue. I have written and faxed letters. Nothing, no response. My constituents are angry and frustrated. They are fearful that their land is no longer their own.

I would ask the minister to quickly explain the actions of his local staff or very soon, I am afraid, he will no longer be able to count on co-operation from the residents of Grey.

CO-OP WEEK

Mr Martin: I am pleased to rise today to recognize Co-op Week, October 13 to 20, and Co-op Day, today, October 16.

To mark these important events, the Canadian Co-operative Association is sponsoring a reception today for members of this House at 5 pm in room 247. Please join with me on this occasion to meet the current and future leadership of Ontario's co-operative sector.

More than two million Ontarians belong to co-operatives and credit unions. The assets of credit unions in this province total over \$10 billion. Although credit unions are probably the best known of our co-operative institutions, the co-operative approach has been successfully applied to a wide range of services and enterprises: agriculture, manufacturing, day care, publishing, housing and food services.

In my own riding of Sault Ste Marie I think particularly of several fine examples of co-operative ventures: the Ascu Community Credit Union and the Northern Credit Union; Vesta Housing Co-op, the newest of several housing co-ops; several day care co-operatives, and the Offing Community Development Group, a resource to co-ops in Sault Ste Marie, to name just a few.

The theme this week, as credit unions and co-ops in Canada celebrate with colleagues around the world, is "Together we make the difference." Co-ops and credit unions do and will make an important difference here in Ontario. I am pleased to express this word of congratulations and encouragement to them.

LANDFILL SITE

Mr Offer: The residents' associations in my riding are angry. They are angry at the Minister of the Environment and angry at the Premier. As you are aware, Mr Speaker, the Minister of the Environment has expanded the capacity of the Britannia landfill site in my riding. That site was slated to be closed. Local agreements had been made, plans undertaken, costs incurred, but the Minister of the Environment stopped everything. She has ordered the expansion of the site without any hearing whatsoever. There is no place for the residents to voice their concerns, no forum to discuss the social, economic and environmental impact of the expansion of this site.

It was just over a year ago that the now Premier stated no expansion of a dump site would take place without a full environmental assessment hearing. Now that is exactly what is taking place. The residents in my area have asked to meet with the Minister of the Environment to tell her of the impact of her decision on their community. They will do so in the privacy of her office, at a time and place of her calling. They will do so because they feel this issue is of crucial importance to the future of our community. The response by the Minister of the Environment to this request for a meeting is no.

The Credit Valley Residents' Association and other neighbouring communities are going to be visibly expressing

their outrage at this government by marching on the dump this Saturday. As they say in their notice: "Eight million dollars has already been spent by Peel council to select an alternative site, yet the debt-ridden NDP government wants to spend more tax dollars to do its own study. Stand up, be accounted for. Let's stop this government waste." I could not agree with them more.

HEALTH SERVICES

Mr McLean: My statement is for the Minister of Health. Her government is putting delivery of health care services at Orillia Soldiers' Memorial Hospital at risk. Officials at SMH are projecting a deficit of \$1.3 million. To deal with this deficit, the hospital is implementing cutbacks which are expected to save \$628,500 over the balance of this fiscal year. On an annualized basis, these cuts amount to more than \$2.1 million for a full year. SMH is still faced with a deficit of \$176,500 this year.

The cutbacks being implemented by the hospital include the loss of 45 full-time jobs, and 22 of the 34 beds on the Elizabeth II ward will be closed. It is my understanding that part of the problem, which I might add is highlighted in the NDP's Agenda for People, is caused by the fact that hundreds of seniors across this province are staying in acute care hospital beds because of a shortage of appropriate support that would allow them to live in their own homes and their own communities. The minister knows that nursing homes and homes for the aged provide care at less cost than if hospital beds are used. Where is her commitment to nurses and the care of seniors in this province?

The cutbacks in health care services are traumatic to this community. The government is providing fewer services to the people of Simcoe East at a time when it is demanding that they shell out more to pay for the government's \$10-billion deficit.

The minister is putting health care services at risk in Ontario.

MUNICIPAL ELECTIONS

Mr Christopherson: As members know, municipal campaigns are taking place throughout the province in anticipation of election day on November 12. As this is the first municipal election held during this term of Parliament, I know all members wish our municipal counterparts the best in their pursuit of public office.

Having spent five years on city and regional councils, I am well aware of the growing importance local governments play in our communities. It is the level of government that is closest to the people and most affects the quality of life for our citizens.

This provincial government has committed itself to working closely with local governments to enhance their ability to deal with the increasing burden that is placed on them.

I am very proud of the vision brought forward by all our candidates in my community of Hamilton. They have envisioned a future for Hamilton as one of Canada's leading centres from both an economic and quality-of-life standpoint. Our success will depend not only on the strength of

our economy but also on the leadership provided by our municipal government.

It behooves all of us at this level of government to commend those outstanding citizens who offer themselves and stand for municipal councils and boards of education. I ask my colleagues on both sides of the House to join me in thanking these individuals on behalf of all Ontarians.

ROYAL ASSENT

SANCTION ROYALE

The Speaker: I beg to inform the House that in the name of Her Majesty the Queen, His Honour the Lieutenant Governor has been pleased to assent to a certain bill in his office.

Clerk Assistant and Clerk of Committees: The following is the title of the bill to which His Honour has assented:

An Act to amend the Employment Standards Act to provide for an Employee Wage Protection Program and to make certain other amendments.

Loi portant modification de la Loi sur les normes d'emploi par création d'un Programme de protection des salaires des employés et par adoption de certaines autres modifications.

STATEMENTS BY THE MINISTRY

ATIKOKAN ASSISTANCE

Hon Miss Martel: Earlier this year my colleague the Attorney General and member for Rainy River, Iain Angus the federal member for Thunder Bay-Atikokan and I visited the town of Atikokan, which is located northwest of Thunder Bay. We were there at a very difficult time.

We attended a public meeting in this small community of about 4,000. At that time, Atikokan was a community in crisis.

The two largest employers, Atikokan Forest Products Sapawe sawmill and Proboard Ltd, a waferboard factory, had closed their doors. Almost 80% of the town's workforce was not working. The people who met with us on that day told us how this crisis was affecting their lives. They wondered if the town would survive and they turned to this government for help.

Since that time, the community of Atikokan has received good news. Last spring, the Northern Ontario Heritage Fund Corp and the Ministry of Industry, Trade and Technology through the Northern Ontario Development Corp, provided \$1.5 million in loans to Atikokan Forest Products. The Sapawe sawmill resumed operations and put 160 people back to work.

Today I have more good news. I am pleased to inform the House that the heritage fund has secured a loan guarantee of \$3.6 million for Proboard Ltd. This will give the company the working capital it needs to start up again, restoring 190 direct jobs in Atikokan and 143 indirect jobs throughout northwestern Ontario.

This loan guarantee will make it possible for the plant manager at Proboard Ltd to buy the company from its American owners. Unless the company is sold, Proboard will shut down permanently. The Northern Ontario Heritage

Fund Corp recognizes that this plant is a viable one and supports the purchase.

The heritage fund is securing stable jobs for northerners, whether these are new jobs created through advanced technology or increased business investment or jobs that are restored after initial layoffs. We are helping northerners maintain the dignity that comes with holding a job. Through these jobs, we are helping to sustain the economies of communities like Atikokan.

1350

My ministry will remain active in Atikokan. We have worked closely with the community to make the Sapawe and Proboard transactions possible. The Northern Ontario Heritage Fund Corp is also now funding a study, to be conducted by independent consultants, that will act as a guide for future economic planning in the area.

The study will examine Atikokan's potential to become an integrated woods industry complex that will make the best use of the human and forest resources available within the existing industrial and municipal infrastructure. It will also identify specific opportunities for local development and diversification.

The study will be overseen by a steering committee with representatives from labour, the forestry industry and the municipality, as well as staff from the ministries of Natural Resources, Industry, Trade and Technology, my own ministry and the Northern Ontario Heritage Fund Corp.

This is good news for the small town of Atikokan, but it is also good news for northern Ontario. Our efforts to create a viable, integrated local economy in one small northern town will provide a model for other towns facing similar problems and decisions for the future.

We are sensitive to the problems encountered by the woods industry across northern Ontario and we are working with all the affected communities to upgrade their operations and expand their markets.

The government is determined to work with all northerners to build a revitalized and more stable economy. Atikokan is no longer a community in crisis; it is an example of what can be accomplished through determination and the co-operation of labour, business, municipalities and the province.

I hope all members will join with me in celebrating the success of this community today.

RESPONSES

ATIKOKAN ASSISTANCE

Mr Brown: I am very pleased and our party is very pleased with the efforts of the northern Ontario heritage fund to help the people of Atikokan. We believe that the people of Atikokan, as in many small communities and even some large ones in the north, are in crisis and in peril, and anything that can be done to help them is something we think is agreeable. We congratulate the minister and the board for their help to the people of Atikokan.

Having said that, we have some concerns about the viability of the entire forestry industry in northern Ontario. We wonder, as most northerners wonder, about their jobs

all across the north. We know that community after community is facing difficulties in the sawmilling industry and the pulp and paper industry. We know northerners have concerns for their economic wellbeing in the long-term.

We know the ministry has been plugging holes, kind of sticking fingers in dikes over the past year, but what we are looking for is a viable policy for the forestry industry in the long haul in northern Ontario. We have to know our mills are competitive and viable. We think that is important to northerners and we are surprised, if not shocked, to see the government not moving as an advocate for northern Ontario.

We are surprised that the Ministry of Northern Development and Mines has not led the charge against Bill 118. The Ministry of Northern Development and Mines seems to be for a 44% increase in the price of electricity. Do the members know what effect that will have on the viability of the sawmilling industry in northern Ontario if we increase its costs by 60% during the term of this government? That is what is happening. Do the members know what will happen in the pulp and paper industry, where they are huge consumers of electricity, if they face those same kinds of increases? That attacks the very viability of the northern economy.

Just the other day we had people in from the Ontario Mining Association who were telling us about the effect on Ontario's mines of the projected increases that are going to happen over the term of this government. Many of them may not be viable with a 50% increase in the price of electricity. That affects the northern economy.

Mr Speaker, you probably know, although not all members know, that northern Ontario consumes 13% of the electricity in this province, a disproportionate amount. That is not because northerners are wasteful people. It is because we have resource-based industries that use electricity in large quantities to remain viable.

We have a huge expanse of land. We have residents across 90% of this province who have no choice as to natural gas or any other less costly alternative, and they are going to be hurt by a government policy that is pro high energy prices. It is clearly a government policy, because it is not just with hydro rates; it is with gasoline, it is with a whole myriad of initiatives that this government has taken in order to do whatever its ideology has it do.

What we are looking for is having the north looked after in cabinet. We want policies that make our northern economy viable. We do not want the Minister of Northern Development and Mines standing in this House, making announcements as she did today because the economy is that bad. We want a vibrant, viable economy that will create jobs for northerners and sustain our children's future.

We have been surprised that this government, a party that had always claimed it was for the north, has done things like attack our infrastructure. There is not as much money being spent on northern roads as there was in the past, yet we are collecting more taxes. We look at communities like Sault Ste Marie where the Algoma Steel problem exists, and we are looking for a viable continuation of that enterprise. We look at the Sault and we find it cannot compete with Sault Ste Marie, Michigan, for gasoline

prices at the very time this government is increasing taxes on gasoline by 3.5 cents.

We are happy about the announcement the minister made today. We wish she did not have to make this kind of announcement, because the north should be viable.

Mr Eves: To echo some of the comments made by my colleague the member for Algoma-Manitoulin, it is all very well and good for the Minister of Northern Development and Mines to stand in the House and make the announcement she made today, but this is the sort of announcement we have seen all too frequently in recent months. We have seen, just last week, a problem at Sturgeon Falls. We have seen problems at Elliot Lake. We have seen problems at Kapuskasing and many other northern communities.

It is fine to try to address the problem after it has occurred. We are doing nothing, it seems to me, to address the causes of the economic problems in northern Ontario, to use the northern heritage fund for its main purpose which was, as I understood it when it was created, to diversify the economy of northern Ontario, to protect it from being in the vulnerable position that many communities in the north are in, being basically one-industry towns.

We also have to start addressing the issue of competitiveness, which does not seem to be addressed by this government. My colleague the member for Algoma-Manitoulin makes some very good points with respect to power costs, for example. Now here is something the province can do. We are debating the very bill in the House, Bill 118, and we have been for some time. This is something the government can do something about.

I can recall when the minister was a relatively newly elected member in this chamber. My colleague the leader of my party and I spoke in favour of a resolution she introduced in the House. I believe it was the very first piece of business she introduced as the new member for Sudbury East. She was castigating the then Liberal government for its lack of action with respect to economic diversification in northern Ontario. She was calling for the establishment of a northern heritage fund. She was calling for a meaningful fund. I am not quoting her, but I am, I believe, paraphrasing and recalling what she said at the time.

She said that to throw \$35 million a year at the problem was a joke, it was insignificant, that it was really just the same amount of money Mr Bernier, when he was the minister, had put into the northern development fund; that if you wanted a true northern heritage fund, you had to make a serious commitment and \$35 million a year was nothing other than taking the same dollar figure that was used 10 years ago in this province with respect to economic aid in northern Ontario.

If the government really wants to do something about addressing the root causes of these problems of various communities in northern Ontario, it will do something serious with the northern heritage fund and start addressing the causes instead of the problem after the fact.

Mr McLean: I want to comment briefly on the statement made by the minister, but I want to comment on the part that deals with the study.

The northern Ontario heritage fund is now funding a study to take place for the future economic growth of the north. Different ministries are going to be involved in that study—the Ministry of Natural Resources is one—and so is the forestry industry.

I want to make sure the ministry is aware of some of the programs we believe are being put in place in this province. My understanding is that there could be 30 million fewer trees planted in the future; 30 million fewer trees is a lot of trees for the wood industry. I say to this government that when its people are dealing with this study, that is one of the most important aspects they should be looking at. Over the years the policy has been that we would plant three trees for every one tree harvested. This government is saying it is going to plant 30 million fewer trees. Where is this government's commitment to the forests in the north?

1400

ORAL QUESTIONS

INVESTIGATION INTO RELEASE OF DOCUMENTS

Mr Elston: Yesterday I stood in my place and raised a point of privilege concerning the events of the day and the investigation by the Ontario Provincial Police. The Premier, who could have stood on the same point of privilege at least to comment, chose not so to do.

However, when he left us here in the House to complete question period, he told the press in the briefing session that occurs traditionally after he leaves this place that he would be as upset as I was by the carrying out of government-directed OPP investigations against opposition members. Can the Premier tell us that he has ordered a cessation to this government-directed OPP investigation of our activities?

Hon Mr Rae: I am going to let the Deputy Premier and Treasurer answer this question.

Hon Mr Laughren: Perhaps the members will allow me to give a little background to this issue.

Mr Elston: A point of privilege, Mr Speaker: I asked the Premier to talk about investigations of opposition members. It is a point that I think he should have the courage to stand up and say he does not support. When he took the press outside this House yesterday he told them he was upset. I cannot tell you why he believes he can fob this off on the minister and not answer a very direct and short question.

The Speaker: I must inform the honourable Leader of the Opposition that there is nothing out of order. The standing orders allow ministers, including the Premier, to redirect questions.

Hon Mr Laughren: First, let me make it perfectly clear that what the OPP is doing has nothing to do with an investigation of opposition members. That is a completely unfair and unwarranted allegation on the part of the leader of the official opposition.

Members understand that in the Ministry of Treasury and Economics we deal with a lot of documents that are very sensitive. If they were released before they were supposed to be released, there would be all sorts of situations

in which people could realize some monetary gain. If we waited until that occurred, we would surely be criticized by any opposition leader worth his or her salt.

This member certainly is worth his salt. We would be criticized for waiting until a sensitive document had been leaked or released before it was supposed to be. We are simply taking precautions now to make sure this does not happen.

Mr Elston: I say to the Deputy Premier, who is also the Treasurer and also responsible for this investigation, that he will know, and the former Chairman of Management Board of Cabinet, the one prior to the member for Dovercourt's appointment there, confirmed in June of this year that the police had been investigating my colleague the member for Halton Centre with respect to a release of information out of the Ministry of the Environment.

We also understand there is a decision pending in the Ministry of Labour to send the police after whatever they can find with respect to the release of that document around September 1. Will the Deputy Premier and Treasurer ask the Premier, the head of the government, who is directing the Ontario Provincial Police investigations into each of these incidents, to cease and desist and to declare publicly that he does not sponsor, support or direct the public service to support and sponsor his government-directed Ontario Provincial Police pursuits of freedom and democracy?

Hon Mr Laughren: The leader of the official opposition is using the most unfortunate language in his question. I do not think he needs to do that to make his point.

The document that was released 10 days ago was not a sensitive document. The point is that surely we do not want to wait until a very sensitive document is released when it is not supposed to be, because at that point the leader of the official opposition would be quite within his rights to rise to his feet and say: "When you knew the process was not airtight, why didn't you do something about it then? Why did you wait until a really sensitive document was released?"

It is not fair to imply that the OPP is investigating the opposition or any member of the Legislature. We have asked them to examine the process and see where we could tighten it up. It is not a case of our directing them to whom they should talk. They make that determination by themselves, not through us.

Mr Elston: The reason the Premier passed this off was that he was unwilling to take responsibility, even though he knows what is going on in his government. He refuses to stand up and say once and for all that he does not condone the pursuit of opposition MPPs and others by the police, directed by his government.

The Premier directed the current minister responsible for Management Board to quickly issue a report and a public document on whistle-blowing. I guess I have to direct this again to my favourite storyteller from Nickel Belt.

Mr Bradley: The Premier won't answer it.

Mr Elston: Does the Premier want to answer? He does not want to answer.

The current Chairman of Management Board indicated at the time he released his paper on whistle-blowing and the protection of public servants who felt that they should provide the public with an understanding of what was being considered inside government as not applying to protect a public servant who released a document like the Ministry of Labour document.

Will the Deputy Premier and my favourite storyteller from Nickel Belt tell us in the House that the fullest and broadest range of protections will be provided under his whistle-blowing paper and the pursuant legislation and that in fact the release of documents to opposition MPPs will be covered by his protections under whistle-blowing?

Hon Mr Laughren: I wish the member opposite would not confuse the rights of the civil service to blow a whistle, as we say, when there are allegations of serious wrongdoing with the release of a budget document or other sensitive documents from a ministry. There is no relationship whatsoever between those two. This has absolutely nothing to do with the right of the civil service to reveal wrongdoing—

Interjections.

The Speaker: Order.

Hon Mr Laughren: —and for the leader of the official opposition to imply that there is some kind of pursuit of the members of the Legislature is completely false. He does his own cause a lot of harm when he engages in that kind of hyperbole and exaggeration.

Mr Elston: Mr Speaker, these guys are trying to intimidate so many of the people in this province. They talk about open government and they are trying to shut us all down. That fellow over there, whose 20th anniversary has just passed, is one of the people for whom I have a great deal of affection and admiration, but not when he talks like that.

1410

SALARY OF ONTARIO HYDRO CHAIRMAN

Mr Elston: Mr Speaker, I will not ask the Premier; I will ask the member for Kitchener, who I understand has given about 10 minutes of his time to the press earlier today, to give us a little of his life now to talk a little more about the \$400,000 salary he has indicated will be paid to the chairman of Ontario Hydro, even before there is a public review of the salary levels of executives. Will the minister indicate to us that there will be a public hearing on the review of the executive salaries in Hydro at the Ontario Energy Board?

Hon Mr Ferguson: Bill 118 very clearly sets out who will decide the remuneration for the chair of Ontario Hydro. It is very clear.

I have asked the Ontario Energy Board to do an examination not only of the chair's salary but of the other executive positions at Ontario Hydro. I suspect that will be undertaken very early in the spring.

Mr Elston: He did not answer my question whether it would be a public review. Does the minister not know that under the current Power Corporation Act it is the mandate of the cabinet to review and approve the salary of the

chairman of Hydro? Will the minister advise us that cabinet has reviewed and approved the salary and provided some basis for approval for the board's decision, which was taken in an interim fashion in September at its board meeting, to pay Mr Eliesen the \$400,000 about which the minister has spoken?

Hon Mr Ferguson: It is normal practice for boards of directors of corporations to set the salary for the chair.

Interjections.

The Speaker: Order.

Mr Conway: Mr Speaker, would you not agree that premiers who are too chicken to answer questions about the overall mandate of government should not be allowed to heckle? The Premier can heckle only if he has enough guts to stand up and answer questions and defend what the government is doing.

The Speaker: To the member for Renfrew North, my reading of the rules says no members are to be interjecting during debates and questions, regardless of the level of participation by anyone, a rule that does not seem to apply too often.

Hon Mr Ferguson: It is common practice for the board of directors to set the salary for the chairperson of Hydro right across this country and indeed in most provinces. This certainly is not out of step. To my knowledge, at no point has there been any cabinet discussion of Mr Eliesen's salary.

Mr Elston: This minister does not know what he is doing. Let me explain to him that under subsection 3(6) of the act, which talks about remuneration, "The chairman and the other directors appointed by the Lieutenant Governor in Council shall be paid such remuneration and expenses by the corporation as may be determined from time to time by the Lieutenant Governor in Council," ie, the cabinet. It is not the practice on an ongoing basis for them to do that; it is the ministers' duty as a cabinet to do the work. It is the current provisions of this act which bind them to make sure they do the approvals.

Is it true this member is authorizing the payment of the difference between Mr Eliesen's current salary at a deputy minister's range and the new salary of some \$400,000-plus or thereabouts, on a retroactive basis? When Bill 118 comes into effect, will he confirm that and also that they as cabinet people have approved this whole arrangement?

Hon Mr Ferguson: That is not the case at all. I think the operative words in the clause the honourable member just read are "from time to time." I suggest he read it again.

Mr Harris: My question is to the Premier. On May 14, long before the current Minister of Energy was in his place, a letter was written to the Premier from eight members of the board of directors of Ontario Hydro, including the labour representative on that board. The letter states, "In our judgement, Mr Eliesen does not have the experience and the proven managerial record to qualify as the chief executive officer."

Since the Premier overruled, by retroactive legislation, the experts' concerns, could he tell this House what he

personally knows that the majority of the board of directors on May 14 did not know? Other than Mr Eliesen's NDP political affiliation, what qualifies him to be chief executive officer of Ontario Hydro?

Hon Mr Rae: Mr Eliesen was chairman of Manitoba Hydro. He was also a Deputy Minister of Energy in Ontario, appointed by the previous Liberal government. Those are the qualifications Mr Eliesen has brought to the office. I will say to the leader of the third party that I think he is quite right when he says there are others who have had a different opinion with respect to Mr Eliesen. The government took the view that we had the right to appoint a chairman of Ontario Hydro, and we have confidence in Mr Eliesen's capacity to act as the chief executive officer and the chairman of Ontario Hydro.

Mr Harris: I think the Premier and this government clearly have changed the rules of the game in order to put a political puppet in charge of Ontario Hydro. If it was political philosophy the Premier wished to inject into Ontario Hydro, he could have appointed him chairman. Nobody argues that this is not indeed his right—he could have appointed him chairman of the board—but many non-partisan experts clearly feel Mr Eliesen is not qualified to act as chief executive officer of Ontario Hydro.

Other than being given similar appointments by other NDP governments—I checked through Mr Eliesen's résumé—one of the longest jobs he ever held was as Ed Broadbent's researcher. That seemed to qualify him for other NDP governments to elevate him into this role as chief executive officer or chairman of a crown corporation, Hydro, in their provinces. Does the Premier really think it is in the best interests of Ontario and of Ontario Hydro to put what is obviously a political appointee in charge of this province's largest crown corporation?

Hon Mr Rae: I think Mr Eliesen's capacities, experience and abilities are a matter of record. He was the chairman of Manitoba Hydro. He was appointed as a deputy minister by the previous government, where he served with distinction, and I think those who served with him will speak of his personal abilities, managerial skill and commitment to public service. I say to the leader of the third party that I think his personal attacks on Mr Eliesen are unfair and unwarranted and that I think Mr Eliesen's abilities will justify the confidence the government has placed in him.

Mr Harris: They are not my personal attacks. They are the judgements of the majority of the board of Hydro as of May 14. I do not pretend to be able to judge whether he has that capability, so I rely on the experts. I understand his political connections, and there are things he can do.

Ontario used to be able to boast low cost and a dependable supply of electrical energy to attract investment, yet one of the first things this Premier's appointee does is to hike rates by nearly 12%. Maybe it is to pay for his Christmas bonus, rumoured to be \$75,000. Perhaps the Premier could explain that one. Maybe it is to further cushion his already fat pension package. I hear that if the government can survive six years, it is worth about \$300,000 a year; I

do not know. But I do know it will further hurt Ontario's competitiveness.

1420

If the Premier wants to play political games, I suggest he play with something other than Ontario's energy and other than Ontario Hydro. If he wanted to give Eliesen a job, there are thousands of political appointments that he makes every year, and they are being filled faster by NDP appointments than I have ever seen in the history of Ontario. The Premier could have hired him to keep John Piper and Gerry McAuliffe company. He could even have made him chairman. But I ask the Premier, why CEO, a position that should be non-partisan, that should be non-political, and that for the sake of Hydro should have a longer lifespan than the life of his government?

Hon Mr Rae: First, let's try to demystify this a little bit. In terms of the letter, the experts whom the leader of the third party describes were in fact political appointees of previous governments, Liberals and Tories. Those are the experts to whom the leader of the third party refers. I have nothing against those people; they are entitled to express an opinion. I read their letter with care and made a different decision.

Second, I hope the leader of the third party would recognize that someone like Hugh Macaulay, who was chairman of Ontario Hydro for many years, was not exactly a figure unknown to the—

Mr Harris: He wasn't CEO.

Hon Mr Rae: Well, he was the chairman of Ontario Hydro, working for it.

Let me say to the leader of the third party that Mr Eliesen has had extensive experience in the energy field. Mr Eliesen has extensive experience in the hydro field. He is someone whose experience and good judgement are, in my opinion, going to be of value to the public of this province. The member's attacks on him are unwarranted and unfair.

ASSISTANCE TO FARMERS

Mr Harris: My second question is to the Premier as well. This morning I met with the Ontario Federation of Agriculture. We have over 60,000 farm families in this province, yet this government was barely able to scrape together \$35 million. This was \$35 million in aid at a time when every other province, every other country in Europe and the United States are massively subsidizing in excess of that. It is less than \$600 per farm family, farm families that have investments of from \$300,000 to several million dollars on the line.

I wonder if the Premier could tell me this: How is it that the most he could find—

Interjections.

The Speaker: Order. To the honourable leader of the third party, I regret having to interrupt. It is quite difficult to hear the question being posed because of one of the members on the opposition side. I ask that all members allow the honourable leader of the third party to place his question.

Mr Harris: How is it that all the Premier could find was less than \$600 per farm family to help out in this crisis, yet he was able to dole out \$417,000 per job for 650 mining jobs in Elliot Lake? Can he explain to me why miners in Elliot Lake mining uranium at four times the world price were worth \$417,000 per job, but our farm families with all these investments in their farms, earning substantially less than half what a miner earns, if they are successful at all, qualify for \$600 per farm family? Could the Premier justify this priority to me?

Hon Mr Rae: Let me say first of all to the leader of the third party that he is quite right. The Tory contracts on uranium, signed, sealed and delivered by the Tory party of Ontario and handed on to future generations, have proven very expensive. That is what those Tory contracts have done. Finding a way to move away from those contracts without devastating the town of Elliot Lake, when the member's colleagues from northern Ontario have been asking us to do that, to make sure we did not simply devastate Elliot Lake—the leader of the third party has always talked out of one side of his mouth. It is not fair to come in here—

Interjections.

The Speaker: Order. Would the Premier take his seat, please.

There is certain amount of unleashed energy that is quite evident in the chamber. When members have come to order, we can continue, I hope in a little more calm way than we have in the last couple of minutes.

Mr Harris: The Premier, in pointing fingers instead of dealing with reality today, points out that a former government made a mistake in signing long-term contracts for uranium far in excess of the world price. I agree. It is a matter of record. I acknowledge the mistake. We made lots of mistakes and we will make lots more.

But the reality of the situation is that the government is not helping Elliot Lake by perpetuating that mistake at \$417,000 a miner for another five years. Where are the Premier's priorities? The \$250 million is double what 60,000 farm families, affecting some two million people in communities in this province, need to survive. Where are his priorities? The \$600 per farm family is a slap in the face. That is saying to farm families: "Go away, disappear. We'll buy our food somewhere else."

Hon Mr Rae: I really think playing one group off against another, playing northern Ontario off against southern farmers, is the opposite of the way this province, in its best traditions, has seen itself and worked.

No one has worked harder than the Minister of Agriculture and Food to respond to the crisis we are facing. No one on this side of the House believes the \$35 million we put forward as a package for this period of time is enough or is the answer. The member has to look at the context of all the other programs that are in place with respect to agriculture in the province. More than \$350 million is being put forward by this government in this area. We are continuing to work very hard with the farm community, with the Ontario Federation of Agriculture and with other

groups. We recognize the seriousness of the crisis in the farm community.

Let me also say to the leader of the third party that I really think he has to be consistent in terms of the message he is trying to deliver. The message I am hearing from his colleagues in the Conservative Party is cut, slash, cut. Then when it comes to a particular group he meets with, he is only too happy to stand up and say, "I want you to spend here; I want you to spend there." I ask him to show a little consistency in this regard.

Mr Harris: I am happy to show consistency. The Premier's NDP cronies say you cannot hold an opposition party to what it says in opposition. Is that not what they say now? That was the Premier in opposition. You can't hold him to that. He was in opposition; ie, you cannot trust opposition parties.

Interjections.

The Speaker: Order.

1430

Hon Ms Gigantes: On a point of order, Mr Speaker: I ask you to rule on whether the member is giving a lecture or asking a question.

Interjections.

The Speaker: All right, whoa. That is enough. I would ask the House to come to order. I realize these are contentious issues, but at the same time there must be a bit of restraint practised.

To the member who raised a question about the question being posed: Members who pose questions normally provide a preamble. The preamble may be interpreted by some to be lecturing as opposed to leading up to a question. Within a short period of time I ask all members to place their questions, to make them direct and succinct. Would the member conclude his question.

Mr Harris: I am happy to continue the lecturing preamble to my question.

Let me say this to the Premier. I said today to the farmers and I am saying this to him—

Interjection.

The Speaker: Order, the member for Sarnia.

Mr Harris: —and I said this as well to the people of Elliot Lake. That \$125 million the farmers wanted, I am identifying where the money would come from. I am saying Elliot Lake would have been better off with \$125 million in new projects, in investments in the future, instead of uranium at four times the world price, and \$125 million would have benefited 60,000 farm families. That is where the Premier can find the money; that is what I am suggesting. I believe I am consistent, I believe I am being honest. I am saying, "Spend the money there, and here is where you can get it."

The Speaker: Would the member conclude his question, please.

Mr Harris: I have the integrity to stand up and say, "Here is where you can find the money. You misspent it in Elliot Lake." What does the Premier say to that?

Hon Mr Rae: This is what I say to that. The decision of this government to ask Ontario Hydro to phase out the operations rather than simply cut them off cold turkey in Elliot Lake was the best way to proceed in the circumstances. It provides the most hope for transition. It provides the most opportunities for an effective transition to the future, for alternative jobs and for diversification. The alternative would have been much harsher for Elliot Lake.

I would also say in answer to the question with respect to Ontario Hydro's decisions regarding the contracts and keeping them in place on a reduced level for a reduced period of time, changing that decision would have no impact on the overall size of what we could do this year with respect to agriculture.

We are going to continue as a government to address concerns of farmers, but I will say this very clearly to the leader of the third party: I will not pit farmer against miner; I will not pit farmer against auto worker; I will not pit farmer against the consumers in this province. That is not the way to proceed. That is not the way to build a better Ontario.

Interjections.

The Speaker: Order. It is difficult, I realize, but members are going to have to exercise some restraint. A little bit of calm would go a long way.

SALARY OF ONTARIO HYDRO CHAIRMAN

Mr Conway: I have a question for the Premier and it follows along questions asked earlier today and yesterday about the salary of the newly installed chairman and chief executive officer of Ontario Hydro.

Since the salary in question is, by my reckoning, the largest salary in the Ontario public or parapublic sector of my acquaintance, certainly the largest salary over which this cabinet has a say, can the Premier indicate to me the following: When his cabinet appointed Mr Eliesen as chairman and CEO four or five months ago, he will acknowledge it had to do so under the Power Corporation Act as amended in 1989. That act, as my leader made plain, makes it very clear that the responsibility for the setting of the remuneration of the chairman's salary rests with the cabinet. Will the Premier indicate, as the leader of that cabinet, what his cabinet agreed to in that connection?

Hon Mr Rae: As I said, it was not dealt with extensively by cabinet at all, but the salary now being paid to Mr Eliesen is his salary as a deputy minister.

Mr Conway: I accept that. Anyone who knows anything will understand what is at issue here. The Premier and Marc Eliesen were party to this deal. I suggest they wrote this deal. According to Hydro, the understanding clearly is that the salary of the chairman and CEO will be retroactive to his appointment date in the spring of 1991. Let there be no confusion on that account. My honourable friend the member for York South is a very bright and capable man. He would not want to insult the intelligence of this Legislature or the public beyond on that point.

Given what the Premier has said, and I think rightly so, about the need for all of us to pull in our belts, to appreciate the tragedy this recession is visiting upon the Ontario

community, does he not believe that this salary, reported to be in excess of \$400,000 for the chairman and CEO, Mr Eliesen, his friend, his appointment, to say nothing of Mr Holt's salary at some \$325,000, should be reviewed by this government, particularly in light of the restraint message that has been given about by the Premier, and that a \$400,000 salary, representing a tripling of Mr Eliesen's pay, particularly at a time when Hydro is going to increase the hydro rates by 45%, is inappropriate and contradictory to the Premier's and the government's restraint message?

Hon Mr Rae: Perhaps I will not lay it on the way he has laid it on me, but I will just say to the honourable member for Renfrew North that it is precisely because I felt a review was necessary—first of all, let me say to the member, if he thinks there were any discussions by me with the Hydro board or with Mr Eliesen with respect to his remuneration, he is completely wrong in that regard. He has made that allegation as a statement of fact in the House. I just want to say to him that it is completely false.

The decision of the Ontario Hydro board—and let us be fair again—to set not just the remuneration of the chief executive officer, with respect to the proposed amendments under section 118 with respect to the future—

Mr Conway: You appointed Eliesen under this act.

Hon Mr Rae: Let me just finish. I listened carefully. That is right, and under this act he is being paid a deputy minister's salary. With respect to the future, the Ontario Hydro board has made a recommendation. ■

Mr Elston: Bob Rae, come on.

The Speaker: Order.

Hon Mr Rae: I am being interrupted by the Leader of the Opposition. I wonder if he would let me reply.

Mr Elston: Listen, Bob, you are telling us a story that is unbelievable.

The Speaker: Order. We actually were doing quite well.

Mr Conway: You would call that lying. You would have called me a liar if I had said that in here 18 months ago. You look after Marc Eliesen. Do something for my farmers.

The Speaker: I ask the member for Renfrew North to come to order.

1440

Hon Mr Rae: If I could just respond both to the Leader of the Opposition and to the member for Renfrew North, it is precisely because the numbers became known to me that I discussed this with my cabinet colleagues and others and we said, "This is a concern." Then we looked at the other salaries being paid in Ontario Hydro to senior vice-presidents, to presidents, to senior executives, and that is precisely why we decided we wanted to have an independent review by the Ontario Energy Board to give us its opinion with respect to what comparative salaries there are.

That is exactly what we have asked for. I do not want to prejudge that review the cabinet has asked for. I do not want to prejudge what the conclusions of that review will be. I know this is going to fall on deaf ears, but I would

ask the honourable member to be fair with regard to the whole situation and the entire level—

The Speaker: Would the Premier conclude his remarks, please.

Hon Mr Rae: I see the member smirking. We all know what that smirk means.

Mr Conway: It's my Bob Rae smirk.

The Speaker: Order.

Mr Mancini: On a point of order, Mr Speaker: Some six months ago, giving a speech in the Legislature, I used the same term that the Premier has just used about words falling on deaf ears. The member for York East immediately rose, and I want to know why the member for York East was so anxious to rise in my case but sits in his seat when the Premier uses the same words.

Hon Mr Rae: If I may shorten this discussion, I apologize to the House and to the member for York East.

HAZARDOUS WASTE

Mr Cousens: I have a question for the Minister of the Environment, who is now better known as the Minister of Garbage. The Minister of the Environment has to be aware of some eight barrels of PCB-contaminated oil that have been left unsecured in a residential neighbourhood in Hamilton. According to the Hamilton Spectator, officials from the Ministry of the Environment have known since July 12 about the existence of these barrels. The ministry has left the barrels of PCBs there, placed them in stronger barrels maybe, but left them on the present site.

Will the Minister of the Environment please explain to this House how her ministry could so flagrantly ignore this hazard for over three months and why these barrels of PCBs have not been moved to a secure facility?

Hon Mrs Grier: Let me begin by saying that we have certainly not ignored these barrels for the last three months. We were contacted on June 27, 1991, by a person who asked for our assistance to dispose of the barrels. He was informed that they were his responsibility, that they were on his private property and that he must have the contents analysed, the barrels secured and the waste in them looked after. He indicated he was financially unable to do that and as a result my ministry staff instructed him to make sure they were securely stored. The stronger barrels the member referred to were provided. They are sitting on private property on a site that has been fenced, and we have been endeavouring to work with the region, the local municipality, to have them moved to a safe site approved for storage of PCBs.

Mr Cousens: The people in Hamilton are certainly not satisfied with the solution the minister has been working on since June 27, when she first heard of it. It even becomes worse when that length of time has elapsed.

None the less, there is a larger question here that has to do with PCBs. I have raised with the minister before the issue of the whole question of the storage of PCBs in the province. We still have PCBs in Whitby harbour. In fact, there are literally hundreds of storage facilities across this province with PCBs ready for disposal. What is the minister's long-term strategy for PCBs? How are we going

to deal with PCBs in Ontario? We cannot just keep fencing them up. We cannot just keep leaving them where they are. We have to have a solution to this very important matter. Could the minister tell us what her long-term strategy is?

Hon Mrs Grier: I think it is a very fair question. It is a problem of a material that is hazardous when burned, as we have seen happen accidentally, which exists in storage sites all across this province and there are no easy solutions to dispose of it. As I am sure the member is aware, Environment Canada announced in the summer of 1988 a five-year phase-out program for PCB waste, including high-level liquids. I think it is fair to say that my ministry, although I was not the minister at the time, waited in anticipation of some solutions to the issue from Environment Canada. Those have not progressed to the level that will allow us to deal with the issue.

We are certainly preparing regulations and looking into what kind of a provincial action plan we can put in place, but in the meantime let me assure the member and the people in Hamilton who are concerned that there are many storage sites for PCBs which, when safely secured, are perfectly appropriate until we find a safe solution to the problem.

CAT SCANNER

Ms Haeck: My question is for the Minister of Health. She recently announced new eligibility criteria for hospitals seeking the Ministry of Health's approval to purchase and operate computerized axial tomography scanners.

Mr Bradley: This is a Jim Bradley question.

Ms Haeck: As she is aware, people in my riding, St Catharines-Brock—and obviously the member for St Catharines too—as well as those throughout the Niagara region, have expressed their desire to have at least one more CAT scanner operating in the region. Can the minister tell me, and obviously the many interested viewers, how hospitals go about applying to purchase CAT scanners?

Hon Ms Lankin: I know the member for St Catharines-Brock has expressed great interest in this, as have other members of the House from the Niagara region. It has been an ongoing topic of discussion I have had with members from that area.

On September 20 we announced a new policy with respect to hospital acquisition of CAT scanners. I just want to let everyone know that those guidelines were developed co-operatively with a working group. It involved the Ministry of Health, the Ontario Hospital Association, the Ontario radiologists' association and the College of Physicians and Surgeons of Ontario. It was felt new guidelines were needed because we are dealing with a technology which, when the original guidelines were put in place, was thought to be new and revolutionary and one we should control the expansion of tightly. I think we view it now as a technology that should be used instead of older diagnostic methods.

Hospitals have been informed of the new guidelines. They are asked to submit proposals in keeping with those guidelines, and we will be also seeking advice from dis-

trict health councils with respect to their recommendations as well.

Ms Haeck: As a result of a recent meeting of the Niagara District Health Council with myself and a couple of other members, the council advised us that it has received four proposals from local hospitals regarding CAT scanners. Can the minister possibly tell us, and obviously the many viewers watching, what will happen if the district health council recommends that more than one scanner should be purchased for the Niagara Peninsula?

Hon Ms Lankin: If the district health council, in its assessment of the region, feels that more than one is required, the ministry will look at that. There is a list of criteria that must be met and the district health council's recommendation will be very important, but there are other things we will be looking at.

They will consider needs assessment, showing justification. That will be part of what they look at. They will also look at the impact for both the hospital and the regional health care system. From the ministry's point of view, we will be looking at whether a business case has been made, whether relative cost-benefit analysis has been done and whether the hospital is in an operating deficit or not. Those sorts of criteria will be the responsibility of the minister to review.

I should also say that there were 10 outstanding requests from hospitals. In fact, a couple of those are from the Niagara region. Those will be dealt with first before we go on to new proposals that are coming in.

1450

SALARY OF ONTARIO HYDRO CHAIRMAN

Mr Elston: I have a question for the Premier. I wonder how the gentleman who has told us that he has asked for this independent review by the Ontario Energy Board can explain to us that as of noon today my advice is that the Ontario Energy Board has not been advised that it is to conduct such a review.

Hon Mr Rae: It was my understanding that this was to be done. We certainly reached this conclusion some time ago, and as far as that—

Mr Elston: When?

Hon Mr Rae: Some time ago.

Mr Elston: I wonder if the Premier will tell us when they decided to have this review conducted.

Hon Mr Rae: It is my recollection that it was a matter of a few weeks ago that this decision was made.

Mr Elston: And no transmission?

Hon Mr Rae: I can only tell the member that was when the decision was made.

TRUCKING INDUSTRY

Mr Turnbull: My question is to the Treasurer. Two weeks ago, the Ministry of Transportation released a study on the trucking industry in Ontario. It concluded that the Ontario truckers are at a competitive disadvantage to their US counterparts. According to the report, costs of repair, maintenance, fuel and overhead are lower in the United States. David Bradley, president of the Ontario Trucking

Association, is quoted in the Windsor Star as saying, "This industry is still reeling from the first round of diesel fuel increases, and the thought of paying higher taxes in January is simply too much for many truckers."

I am sure the Treasurer will admit this report clearly shows that the Ontario trucking industry is in crisis. Will he not today please cancel the second level of the fuel tax increases?

Hon Mr Laughren: There is no question whatsoever that the trucking industry in this province is in some difficulty. I perused the report to which the member refers. To be fair, I think the report does indicate that a short-term fix is not the answer to the problems in the trucking industry, that while the problems are serious, they are basically structural in nature. It is simply a fact that there are too many trucks for the amount of goods to be hauled. In my view, a reduction or a cancellation of a fuel tax increase that is set for 1992 would not resolve their problem, so, no, it is not my intention to cancel that proposed tax increase.

Mr Turnbull: In a letter the Treasurer wrote to the Ontario Trucking Association, he stated that the tax was necessary for environmental reasons. I would put it to the Treasurer that having more American truckers deliver goods in Ontario is going to do nothing to help the Ontario environment.

Fuel is not a luxury for truckers; it is a cost of doing business. This tax is going to add an average of \$2,000 out of the pockets per trucker per year. They are already experiencing financial difficulties. How will this tax help the environment when truckers have no money to buy more environmentally efficient equipment?

Hon Mr Laughren: To be fair, I indicated in my previous response that the problems in the trucking industry are more structural than they have to do with the price of gasoline. I might add that the price of gasoline is not irrelevant in the cost of doing business for the trucking industry. I appreciate that fact. I would also remind the member, though, that there is a prorated charge on American truckers who drive in Ontario for the price of gas they pay here.

Mr Turnbull: You're not policing it well enough.

Hon Mr Laughren: I am telling the member that is simply the case, and fair-minded observers of the trucking industry will confirm it when I say that the real problems in the trucking industry are, first, deregulation on both sides of the border. The member opposite should know as well as anyone that the federal deregulation is hurting the trucking industry, as did the provincial deregulation. Second, the recession has had a major impact on the trucking industry as well. There is absolutely no question about that. Finally, we believe we went some way when we put a moratorium on the issuance of any new licences. It is not as though we have simply been sitting on the sidelines watching the trucking industry go through its difficulties. As a matter of fact, we look forward to some kind of positive response from the federal government as well.

COMMUNITY INFORMATION CENTRES

Mrs MacKinnon: My question today is to the Minister of Culture and Communications. As the minister knows, the community information centres provide a highly personalized information and referral service to all their local communities. It is important to keep in mind that the role of the community information centre is especially crucial during tough economic times, which we find ourselves in now as a province.

As the minister is well aware, her ministry funds 58 out of 81 centres, and the CIC in my riding of Lambton county is included in that number. Unfortunately the overall funding for community information centres is quite low. Taking this into account, what is the minister's commitment to the CICs in Ontario?

Hon Mrs Haslam: I understand the member is concerned about community information centres and the funding. I would like to point out that many other MPPs here as well as cabinet people have met with their local CICs to discuss the funding. Her question was, what is our commitment to the CICs in Ontario? The Ministry of Culture and Communications is leading a team to conduct a review of public access to government human resources information. One of the things we are looking at is how CICs fit into the information network, as well as partnerships with other ministries.

I would like to point out that after three days in the ministry I visited a CIC in Parkdale and was quite impressed with the work they do. I am taking a very good interest in these.

Mrs MacKinnon: Is the minister implying that her ministry does not intend to continue to fund the CICs, and if this is the case, is the minister not aware of the importance of the community information centres to local communities in Ontario?

Hon Mrs Haslam: As I mentioned, I did visit a CIC in Parkdale. They do play a very important part in our communities. I was impressed with what they do and the new database some of them have. I was shown how they work in the community. I would like to point out that in 1991-92 they received a 5.5% increase in operating grants and I would like to assure the member that we are doing everything we can with respect to CICs and the issue of funding the CICs.

SALARY OF ONTARIO HYDRO CHAIRMAN

Mr Elston: I have a question for the Minister of Energy. We were just told by the Premier that weeks ago they had decided to talk to the OEB and have it conduct the investigation of the salaries we have been discussing here in the House. I wish to quote from the minister in his answer to the member for Renfrew North yesterday, October 15, "I will be asking the Ontario Energy Board to do a review of all the salaries of the executives at Ontario Hydro." Can the member who is now minister responsible for energy in this province tell us why he has not carried out the instructions of the cabinet and the first minister?

Hon Mr Ferguson: First of all, as the member knows, the board will not be meeting until this spring to look at the matter, so I did not feel—

Interjections.

The Speaker: Order.

Hon Mr Ferguson: As a result, I did not think time was of the essence in putting together the letter to send to the energy board. However, I want to advise the member that I have already viewed two drafts of the letter. I was not happy with the first draft or the second draft. When the final draft is prepared and signed, I will be more than happy to provide him with a copy. Might I also add that publicly I have been on record numerous times as saying that I will be asking the energy board to examine this matter.

Mr Elston: It is interesting that as of September 4 the Premier had received a fax from a group of people who were concerned about the \$400,000 salary and had asked him to intervene and to send, I guess, a policy direction to the board of directors to deal with the issue of the salary. Here we have the Minister of Energy, however, confirming the fact that there will be a retroactive payment, a double payment, to Mr Eliesen pending the review by the energy board some time in the spring.

1500

Will the Minister of Energy tell us here today that there will be no retroactive payment to Mr Eliesen between the date of his original appointment and the date of the completion of the passage of Bill 118 in this House and that in fact Mr Eliesen will receive only his deputy minister's salary up to the end of the review conducted by the Ontario Energy Board?

Hon Mr Ferguson: Mr Eliesen will receive whatever he is entitled to receive. He will not receive two salaries. Members opposite are trying to infer that on the one hand he is going to receive a Hydro salary retroactive—

Interjections.

The Speaker: Order. Has the minister completed his response?

Hon Mr Ferguson: On the one hand, members opposite are trying to infer that Mr Eliesen, who is currently drawing his deputy minister's salary, will receive that salary up until the passage of the bill. Once the bill is passed, they are inferring that he is going to get this retroactive package and, in essence, draw two salaries later on down the road. That is not the case at all.

This government is doing what the Liberal government never had the courage to do. We are asking the Ontario Energy Board to do a fair comparison, not only of Mr Eliesen's salary but of the salaries of the other senior vice-presidents and directors at Ontario Hydro. We are asking them to compare their salaries with those at the other major utilities across the country to make sure they are fair, to make sure they are in line and to make sure the public is being served.

EASTERN ONTARIO VEGETABLE GROWERS' CO-OPERATIVE

Mr Villeneuve: In view of the absence of the Premier and the Minister of Agriculture and Food, I will ask the Deputy Premier about problems being faced by the Eastern Ontario Vegetable Growers' Co-operative.

This is the only processor of vegetables in eastern Ontario. Last year, they did \$26 million worth of business. They have met with the government, they have met with the Minister of Agriculture and Food and they have met with the Deputy Minister of Agriculture and Food. They are short \$500,000. We are not talking about the kind of money that de Havilland or some of the northern communities got or the increase the civil service got; \$500,000 is the difference between staying in business and shutting down the production of 12,000 acres of vegetables in eastern Ontario.

Will the Deputy Premier and his government look at this in a positive light and send them a clear message that this government is going to reach out and give them a hand?

Hon Mr Laughren: Rather than give the member opposite an inadequate answer, I would prefer to take it as notice, talk to the Minister of Agriculture and Food and get back to the member.

PETITIONS

TOBACCO TAXES

Mr Carr: I have a petition signed by 1,468 residents of Ontario. It reads as follows:

"To the Legislative Assembly of Ontario:

"Whereas the present high levels of taxes on tobacco products are excessive and contrary to the interest of Ontario's two million smokers; and

"Whereas high tobacco taxes are contributing to retail theft and to our province's cross-border shopping crisis; and

"Whereas these punitive taxes and resulting lost sales are contributing to inflation as well as costing jobs in Ontario; and

"Whereas high cigarette taxes are regressive and unfair to low- and modest-income citizens,

"We, the undersigned, petition the Legislative Assembly of Ontario as follows:

"That Ontario's tobacco taxes should not be increased in 1991 and further that these taxes should be repealed and a new lower and fairer tax be introduced."

OATH OF ALLEGIANCE

Mr J. Wilson: It is my privilege to rise and present a petition to the Legislature of Ontario on behalf of the good people of my riding of Simcoe West. The petition reads as follows:

"Whereas the Queen of Canada has long been a symbol of national unity for Canadians from all walks of life and from all ethnic backgrounds;

"Whereas the people of Canada are currently facing a constitutional crisis which could potentially result in the breakup of the federation and are in need of unifying symbols;

"We, the undersigned, respectfully petition the Legislative Assembly of Ontario to restore the oath to the Queen for Ontario's police officers."

That is signed by a number of people from Collingwood, Wasaga Beach, the township of Nottawasaga, Sunnidale and the village of Creemore. I too have affixed my name to this petition.

REPORTS BY COMMITTEES

STANDING COMMITTEE ON REGULATIONS AND PRIVATE BILLS

Mr White from the standing committee on regulations and private bills presented the following report and moved its adoption:

Your committee recommends that Bill Pr1, An Act respecting the City of Toronto, be not reported, it having been withdrawn by the applicant.

Motion agreed to.

STANDING COMMITTEE ON GOVERNMENT AGENCIES

Mr Runciman from the standing committee on government agencies presented the committee's 15th report and moved its adoption.

The Speaker: Pursuant to standing order 104(g)(11), the report is deemed to be adopted by the House.

INTRODUCTION OF BILLS

ELEVATING DEVICES AMENDMENT ACT, 1991 LOI DE 1991 MODIFIANT LA LOI SUR LES ASCENSEURS ET APPAREILS DE LEVAGE

Mr Ruprecht moved first reading of Bill 139, An Act to amend the Elevating Devices Act.

M. Ruprecht propose la première lecture du projet de loi 139, Loi modifiant la Loi sur les ascenseurs et appareils de levage.

Motion agreed to.

La motion est adoptée.

Mr Ruprecht: This bill would require landlords of residential premises containing elevator devices to enter into an agreement for regular maintenance of the elevators. It would also require landlords of residential premises to keep elevators in service except during such times as the elevator has been taken out of service for maintenance, repair or replacement.

ORDERS OF THE DAY

POWER CORPORATION AMENDMENT ACT, 1991 LOI DE 1991 MODIFIANT LA LOI SUR LA SOCIÉTÉ DE L'ÉLECTRICITÉ

Resuming the adjourned debate on the motion for second reading of Bill 118, An Act to amend the Power Corporation Act.

Suite du débat ajourné sur la motion visant la deuxième lecture du projet de loi 118, Loi modifiant la Loi sur la Société de l'électricité.

Mr J. Wilson: I am pleased to rise once again today to speak on Bill 118, An Act to amend the Power Corpora-

tion Act. Just to recap, as a starter, my remarks of October 3, I spent a great deal of time debating this bill with members of the government. As we get back to Bill 118, we recall that the bill makes the chairperson of Ontario Hydro the chief executive officer of the corporation. He is not only chairperson, but Marc Eliesen, the government's NDP appointment, also becomes the CEO of Ontario Hydro.

Bill 118 increases the membership on the board of directors of Ontario Hydro from 17 to 22, an attempt by the government—albeit a successful attempt, since it has a majority in this Legislature—to stack the board of directors of Ontario Hydro in favour of the NDP and its socialist policies. Bill 118 also allows the Minister of Energy to issue policy directives that would be binding on the corporation.

1510

I will stop there for a moment before I continue with what else the bill does. Subsequent to my debate and my colleagues' debate in this Legislature on Bill 118 on October 3 and 4, we read in the Globe and Mail on October 5 that the Municipal Electric Association was giving some praise to the government because the Minister of Energy had made an announcement pretending to appease the concerns that had been raised by the Municipal Electric Association and by public utilities commissions in my riding of Simcoe West, the town of Wasaga Beach, the town of Collingwood and the amalgamated town of Alliston, Beeton, Tecumseth and Tottenham. Those concerns though, I and my colleagues are here to tell the government, have not been alleviated by the Minister of Energy's announcement.

The Globe and Mail reported in a headline on October 5, "Utilities Win Bout Over Bill 118." Marv LeClair, the chairman of the Municipal Electric Association, is quoted as saying, "We are delighted that the government has realized that Bill 118 was unacceptable legislation that could not go forward without major changes."

The Minister of Energy apparently had written to Mr LeClair on the Wednesday of that week, the minister apparently welcoming "the input and constructive proposals." The minister's office issued a news release saying it would work on proposals for implementing fuel substitution based on further consultations.

Mr LeClair, at the end of the Globe and Mail article, said: "We argued that Bill 118...would allow any government to force Ontario Hydro to do anything the government said, and then make electricity consumers pay for it through a hidden tax grab."

I say to Mr LeClair, to members of the public and to members of my riding that this has not changed because the Minister of Energy put out some pappy socialist press release that in reality, when one examines it, did not really in any way address the concerns expressed by the people of my riding, hydro consumers in this province, both large and small, and the Municipal Electric Association. In fact, as my colleague the member for Lanark-Renfrew, our Energy critic, pointed out on October 3:

"The amendments to Bill 118, as presented yesterday, are a joke. From the beginning, this legislation has been flawed and unnecessary. This week the government bungled

the delivery of new amendments by having a backbencher, instead of the minister, attempt to deliver the joke.

"I can see the minister being embarrassed to deliver it, because the amendments vaguely address only subsection 9a(1) by the addition of the following: 'On matters relating to the corporation's exercise of its powers and duties under this act.'

"Ontario has no guarantee in the future of a reliable source of power at cost." That was the crux of my argument that day also. "Policy directives still give the minister too much power. Fuel switching at Ontario Hydro customers' expense is ludicrous and not an acceptable business practice.

"The government will not save 700 megawatts of energy. It will transfer it into 2,389,100,000 BTUs of fossil fuels at the expense of the ratepayer," and create more pollution in the process. "The government will do this in a dictatorial fashion, without the approval of the elected municipal governments."

The message I would like to send out in my short remarks today, because I have spoken at length on this bill in the past, is that the Municipal Electric Association should not be fooled by the Minister of Energy's attempt to address its concerns. Those concerns are real.

If one takes a look at the amendments, sure, the government says it has now put some limits on its ability to give policy directives to Ontario Hydro for anything it wants Ontario Hydro to do, such as the assistance package it gave to Elliot Lake through Ontario Hydro, some \$250 million in job-maintaining money to Elliot Lake and Kapuskasing. Sure, the government says it has put some limitations on that and the board of directors of Ontario Hydro will continue to have some say in how Hydro is run, but the fact is the NDP is stacking the board. They are increasing the membership from 17 to 22—NDP appointments.

They are giving a salary to Marc Eliesen, the new chairperson and chief executive officer of Ontario Hydro, of \$400,000 a year. Yesterday I read—I am sorry, I could not find the source this morning; I think it is sitting on my desk in Collingwood—that he is also getting a year-end bonus of some \$75,000. The government denies this. That is arguable. We will have to wait until the estimates come in next year to see exactly how much money Marc Eliesen makes over the year.

Ontario Hydro itself tells us in a memo of September 10: "Rod Taylor, director of Hydro's executive office, has advised me"—and this is to one of our policy researchers—"that Mr Eliesen did not request a salary of \$400,000 as the media reported. Mr Taylor said that when the amendments to the Power Corporation Act are made in the upcoming session of the Legislature, Ontario Hydro will compensate their CEO at a level the board has deemed appropriate for that position."

That is consistent with what the minister has told us. It is not necessarily \$400,000, but the board will decide what it will be. "And by the way, we've stacked the board, so if we want him to get \$400,000, he will get \$400,000."

Hon Mr Wildman: What did you guys pay Hugh Macaulay?

Mr J. Wilson: The Minister of Natural Resources may want to listen to this. He may learn something.

The Acting Speaker (Mr Farnan): Order. Will the member take his chair, please? The honourable minister, the member for Algoma, will facilitate the process of this House if he refrains from constant interjections. The member will continue.

Mr J. Wilson: Actually, I do not mind getting under the skin of the Minister of Natural Resources, the minister responsible for native affairs, because I do not like NDP socialists very much. I like him as a gentleman and as a member outside this House, but I do not like their policy. If some of the things I say get under their skin, tough. I know they are having a tough time as a government. They have kind of gone for a nosedive in the polls, but it does not mean they have to heckle opposition members who are trying to point out the errors of their ways.

What they should do is listen. They accuse other governments of never listening to the people. When it comes to Bill 118 and a number of other pieces of legislation, we are trying to find the essence of why they want to do this, why they want to socialize Ontario Hydro. They should come clean with the public. They should tell us what their true agenda is.

The Acting Speaker: Order. The member will take his chair, please. The Chair has already pointed out to the government member to refrain from interjection. I think the member will do well to speak to the issue before us for debate.

Mr J. Wilson: I think if you review my comments, Mr Speaker, you will find that I was addressing the issue at hand. You may take liberty with my remarks, but I will protest if you do.

Going back to relevance to the bill, going back to the comments about Mr Eliesen's salary, Mr Taylor at Ontario Hydro has confirmed that it will be in the \$400,000 range. The minister tells us today that Bill 118 does not make the chairman's salary retroactive, that Marc Eliesen is continuing to get his \$140,000- or \$150,000-a-year deputy minister's salary. He tells us also today in answer to questions by both the member for Bruce and my leader, the member for Nipissing, that the government has asked the Ontario Energy Board to do an assessment and review of the salaries of the chairman and other high-ranking senior officials in Ontario Hydro.

Let's look at some of the salaries across the provinces. This is what the review will likely find. In some instances we were not able to find exact salaries and I beg the indulgence of the House there; for instance, Maritime Electric. If a member of the Legislature cannot get the answers, I do not see how the Ontario Energy Board has any greater right or any greater privileges than I do as a member.

Maritime Electric would not tell what it pays its chief executive officer, and admittedly Newfoundland Light and Power would not either. New Brunswick Electric Power Commission, though, did say. Carol Estie, the compensation manager for New Brunswick Power, confirmed that its CEO receives \$124,000 a year, and that compensation

level, to be fair, is currently under review. I do not think it is contemplating \$400,000 though.

Saskatchewan Power Corp also says it is unable to report what its chief executive officer makes. This is great. This is just as bad as in Ontario. Manitoba Hydro says its chief executive officer makes \$122,500 annually. At the British Columbia Hydro and Power Authority apparently the CEO earns \$175,000 annually; Hydro-Québec—now there is one that is comparable to Ontario in terms of size—a fairly large salary, \$212,000.

1520

In the other provinces reported, nobody makes near what the NDP is planning on paying its appointee. I understand it was unconscionable for the Liberal government to pay its chairperson of Ontario Hydro the astounding salary, but my understanding there is that it had a couple of people at a lower salary. The government has combined the jobs, given it to one person, granted, paying him an astronomical salary. It is still going to have to justify this.

To talk specifically about some of the concerns of public utilities commissions, I just want to relay once again the concern of the public utilities commission in Sault Ste Marie. In a letter to my leader, the member for Nipissing, Mr Hugill, chairperson of the public utilities commission in Sault Ste Marie, first of all begins by stating in the letter—and this is the same for all PUCs whether in my riding or in any of the 312 PUCs in the province—“Our mandate is to provide a safe and reliable supply of electricity and water to our customers at the lowest feasible cost.”

Just to go on to the letter, the chairperson talks about how the PUC, being at the grass roots, is very much responsible and directly responsible to the electorate and to the ratepayers. It says:

“Our concerns lie in the fact that Bill 118 is a direct attack on the long-cherished principle of power at cost.” On October 3, I spoke a great deal about power at cost and that long-standing principle. “Ontario has, since 1906, followed the principle of power at cost and has reaped the advantages of a strong and competitive industrial base over these many years, with the key element in this being the supply of electricity by Ontario Hydro and public utilities commissions.

“However, Bill 118, if passed as written, would change the fundamental relationship between government and Ontario Hydro by allowing the government to issue policy directives that are binding on Ontario Hydro even if they have nothing to do with Hydro’s current business, that being the provision of safe, reliable electricity. Bill 118 would change Hydro’s mandate to include anything the government says it should, such as social assistance or regional development. The effect is that the local electricity consumer will pay for these directives through electricity rates.”

We are told that the expected rise in hydro rates for consumers—that is, household consumers and business consumers of hydro—the compounded effective rate could be anywhere from 35% to 45% over the next three years. Needless to say, that will drive another peg in the economic coffin of this province and continue to drive more businesses out of the province since we are not competi-

tive now; we are the highest-taxed jurisdiction in North America.

If the government raises hydro rates because it has some sort of socialist philosophy and new mandate for Ontario Hydro, it is going to drive more businesses out of the province. Heed our warning. Please listen to us. We are echoing concerns, bringing concerns from our constituents, from public utilities commissions that know their business, that know the business of Hydro in providing safe, affordable, reliable electricity far better than any member of this government. The government should listen to them.

I want to read another paragraph from the public utilities commission of Sault Ste Marie because it is reflective of several hundred letters we have received in our caucus on this bill. It says:

“The net effect is that Bill 118 will force electricity rates up, resulting in economic hardship for Ontario residents and businesses, and discourage much-needed economic growth. We are already seeing the negative effects of misguided policy on the Ontario economy, and strong action to oppose the government is required.”

Just for the record and for the interest of all members, the member for Nipissing, leader of the Ontario Progressive Conservative Party, responded by saying to Mr Hugill:

“As you are no doubt aware, our party is opposed to Bill 118. We object to the provisions which allow the government of the day to issue policy directives which are binding on Ontario Hydro. The open-ended nature of this bill essentially allows any government to force Ontario Hydro into actions which may well be based on nothing more than political considerations and not necessarily in the best interests of consumers.

“This NDP initiative puts the integrity of Ontario Hydro at risk and may result in the utility engaging in activities beyond its mandate of providing safe, reliable power at cost.”

The member for Nipissing goes on to say:

“In fact, as we have seen by recent appointments and policy directives such as the Elliot Lake assistance package, the current NDP government is already using Ontario Hydro as an instrument to further its own political, social and economic agenda. The cost of these and other so-called government initiatives will be unfairly borne by the hydro consumers over and above the actual cost of power.”

The government did not have the courage, when it was bailing out northern Ontario communities, to come back to the Legislature, to be honest with the people of Ontario and say, “We’re going to bail out Elliot Lake, Kapuskasing and Blind River, and it may require a greater deficit.” Our option would be that they had the courage to come back to this Legislature and say: “We’re going to take that money from other expenditure areas. We’ve now decided that northern Ontario is a priority, so we’re going to put in \$250 million to save 600 jobs.”

That is well over \$400,000 a job. It would be better to give these people an annuity, put the \$400,000 in the bank for them and let them live off the interest. They could live the rest of their lives quite comfortably.

None the less, they did not have the courage to come back to the Legislature and be honest with people, as they campaigned about so often, so they direct Ontario Hydro. They do it, in my opinion, without legislative authority. I do not know where they get the authority to do this. They have done it. Now Bill 118 is here. They are asking for the legislative authority. We are being asked as legislators to give them retroactive legislative authority for something they have already done, which they have not consulted with the people on.

This all flies in the face of what the NDP candidates said in the last election and what the Premier has said for years. He has said for years that he did not like retroactive legislation, that governments must be honest and open and forthright with people, yet in every act the government has taken, it has taken the opposite approach. We are told by some of their strategists: "That was then, that was when we were in opposition, but this is now. We're in government."

It is totally unacceptable, but we are willing to work with them. We realize this government is here for the next three or four years. Our role in opposition is to try to bring some common sense back to the system, to show them the error of their ways, whether it be in Bill 118 or the myriad of other socialist legislation they have brought in and are bringing in. We will be here to do that. We will be here to join with the people of Ontario to try to bring some common sense back, and we hope the government will listen. We hope on Bill 118 they will listen, because they are going to do irreparable harm.

As I said in my remarks on October 3 and will say again in conclusion today, God help the next government in this province. They are going to have to clean up the NDP's economic disaster. They are going to have to straighten out Ontario Hydro and the brownouts that will probably occur at that time. We are told by the Ontario Energy Board, for instance, that the government's misguided \$6-billion energy conservation program and directives will not save enough electricity to ensure that Ontario remains competitive and that we have some economic growth over the next years. In fact, their misguided policies will lead to brownouts in five or six or seven years' time.

They will not be the government then. They will be in opposition, screaming like they have always done, about brownouts in the province. We will probably be the government and we will have the inability, as is so often the case, to explain to the public, "Six years ago, we tried to explain this was what was going to happen." We have already had brownouts, as I mentioned in my remarks in the House on October 3, in the town of Collingwood and that area.

They have created unemployment through the bailout in Kapuskasing. They protect 600 jobs in the north, but the effect in my riding has been to put at least two contractors I know of and their staffs out of work over the winter season and through next year, because some \$16 million was taken out of the Hydro region in my riding, had to be diverted to head office so head office could put it in the kitty to help the government bail out northern Ontario communities.

1530

Do two wrongs make a right? Does saving some mining jobs in the north give the government the right to put people in my riding out of work?

I would hope the answer is obvious to the government. I would hope the government would realize that the \$16 million that was diverted from my riding was being used very sensibly on a long-term and ongoing project to upgrade the lines through our area so that we can address the brownout problem that is already occurring in parts of the province and parts of my riding.

The government's solution seems to be to drive out major industry and it is going to save a whole pile of megawatts. That is hardly an economic strategy. That is hardly an industrial strategy. They may be able to go back to their environmentalists in a few years and say: "We didn't build any more nuclear power plants. We lived up to that campaign promise." I do not know what they are going to say to the hundreds of thousands of people who are being put out of work though as a result of their misguided policies, as a result of hydro rates that are going to go through the roof in the next few years.

We know this from objective people. We know this from people who do not have a political axe to grind. We know this from a number of good servants in this province who are trying to lay the facts out before the government when it comes to Bill 118.

I will yield the floor soon because I understand the government House leaders have come to an agreement that there will be some more public debate on Bill 118 and we welcome that. There will be two weeks of public hearings outside of Metropolitan Toronto and in the communities of Ontario. There will be another week back here in Toronto and there will be a week of clause-by-clause review of Bill 118.

I hope on this piece of legislation that the government will listen and act on what it hears. I think they have not quite read Webster's Dictionary or they do not have a full understanding of the Oxford meaning of consultation. It requires not only meeting and listening but also taking what has been heard in a meeting and incorporating that as part of the decision-making process and acting upon what has been heard. That is the part of the formula and the part of the definition of the word that this government fails to understand, I believe.

I would ask during the hearings and further debate in this House on Bill 118 that the government listen and bring some common sense back. They should save themselves. They are not going to be the government in three or four years if they continue to act in the manner they are acting. They will not be the government. Even their socialist coalition will fail them. Believe me.

They must bring some common sense back to government. They cannot just use the words "common sense" because we use them. We mean it, and we have a long track record of using common sense in this province. They have to actually show the people of Ontario that they are governing with the best interests of all Ontarians in mind, that they are not captives of a few groups only but that they have the good interests of all Ontarians in mind.

Simply that is what I would ask the government to do, to listen and to govern for all the people of Ontario.

Mr Huget: I listened with interest to the comments of the member for Simcoe West. While I certainly do not agree with any of his projections and speculations, and that is quite clearly what they are, I would remind him, though, in terms of the specific issue of the Municipal Electric Association and its concerns, that the Ontario Minister of Energy on October 2 announced that the government would introduce changes to Bill 118 in order to address the concerns and some of the misunderstandings that have arisen since the bill was introduced in June.

The minister said the government is determined to make Hydro truly accountable to the government for the first time in Ontario history and at the same time equip the corporation with further powers to save electricity and ultimately bring cost savings to electricity consumers.

He also specifically noted that the changes he was proposing were designed to clarify misunderstandings and concerns raised since the bill was introduced in June and, in particular, he identified clearly the concerns of the Municipal Electric Association and a number of the municipal electric utilities. He was clearly seeking to be responsive to their concerns.

When he opened debate on Bill 118, the minister also said the government would be listening closely to what is said. He informed the House that the government would be responsive where appropriate. The government and he are responding to those concerns.

Sections of the bill will be clarified to ensure the government's intent that any policy directives that are issued relate to the corporation's exercise of its powers and duties under the act and do not lead to an extension of these powers and duties by means of government directives.

That is the intent of Bill 118. There are no hidden agendas. There are no hidden motives. I do not think it serves anyone well to hear members of the third party go on a tangent about non-existent policy.

Mr Ruprecht: The member for Simcoe West makes two compelling points that I know you will appreciate as Speaker. One is that the present NDP government will no longer be the government. We could of course go on about that discussion, which I will not.

But the second compelling point he makes asks the most important question of the debate: What is Hydro all about? What is the mandate of Hydro? Is the mandate of Hydro to continue in some kind of social experiment? Or is the mandate of Hydro to provide power at cost? If it is the latter, to provide power at cost, then what the member for Simcoe West indicates is very logical, namely, the inability of this government to rein in Hydro to the point where power at cost is the main mandate and the main point.

It is clear that if, indeed, Hydro decides to provide millions of dollars for social experiments in the north, in the south, in the east, to the point where they might even want to get into eradicating our food banks, then we would have to ask the question again that the member for Simcoe West raises.

Obviously, as we read the bill, as we read hopefully the new amendments, as we understand the whole question of the debate, Hydro is organized to provide power at cost. Consequently, social experiments must be paid out of another kind of budget. Hydro cannot be held at ransom to the point where these kinds of experiments are being paid from that budget; it should be another budget. The Treasurer has to figure out from what budget social experiments are being paid. While we would agree to some extent that some of these issues are correct, nevertheless the main focus must be on the mandate of Hydro.

Mr Johnson: I listen today with some concern because I think the members opposite have not understood maybe as well as I have, maybe as well as other members of the government have, exactly what the purpose of Bill 118 is. The idea that Ontario Hydro is going to be some kind of a social service agency is appalling and it is wrong. I did not read that in Bill 118, and I think for them to stand on the other side and tell the people of Ontario that this is a fact is wrong. I think that is wrong. It is incorrect.

I think the people of Ontario have expected that all along they have been paying for their hydro at cost and unfortunately, because of bad management many years ago in the province of Ontario and maybe bad management in Ontario Hydro, but I would say at least from the government side of management, we find ourselves today in a position where we have to increase the rates dramatically. That is unfortunate, but the people in Ontario understand that they must pay for their hydro at cost, and fortunately we are working to make sure these costs are kept to a minimum.

1540

Mr Conway: I want to pick up on something the member for Simcoe West said about the growing controversy concerning the chairman and chief executive officer. I know that members on the government side are anxious to point out that in a previous incarnation Bob Franklin was not just chairman but president and CEO, all of those jobs rolled into one. What we now have is a situation in Bill 118 where Mr Elieson, a very good friend of the Premier, an active New Democrat—and I do not hold that against him. I do not think the government should be embarrassed by—

Mr Hope: Then why do you keep bringing it up? You must have something against it.

Mr Conway: Why do I bring it up? Mr Speaker, if you will restrain your colleague.

The Acting Speaker: Order, please. I would ask the member to address the chair with his comments and not to speak directly across to members and have a conversation.

Mr Conway: I expect you to restrain our big-mouthed friend, the member for Chatham-Kent.

The Acting Speaker: Please take your seat. I ask the member for Renfrew North to direct your comments through the occupant of the chair and we will not have this situation in the House.

Mr Conway: And I ask you, Mr Speaker, as an impartial referee, to restrain the loquacious member for

Chatham-Kent, whose interjections in this House are becoming increasingly interesting. There was one earlier this afternoon that, had I been in a less pleasant mood, I would have been up and I think I could have embarrassed him to some extent.

I want to make the point that what we have got in Bill 118 is a retroactive provision that concerns the powers and the remuneration of Mr Marc Eliesen. There is no question that Mr Eliesen wrote Bill 118. He was in a complete conflict of interest as he empowered himself. What we have got now is an individual who is going to be paid apparently some \$400,000-plus, with obscene pension provisions, to be chairman and CEO at the same time as we have Al Holt earning some \$325,000 plus bonus to be president. I am very concerned that we have got a political hack as the CEO of Ontario Hydro.

The Acting Speaker: The member's time has expired.

Mr Conway: The NDP has a right to appoint a political hack as chairman, but I cannot remember when we had a political hack as CEO.

The Acting Speaker: I would ask all members to try to keep within the two-minute time frame. The member for Simcoe West has two minutes to respond to questions and comments.

Mr J. Wilson: I appreciate the member for Parkdale's support of some of the comments I made. I appreciate the member for Renfrew North clearing up who is getting paid what at Hydro and when. I would say to the member for Prince Edward-Lennox-South Hastings, an NDP member, that either he is right or 312 public utilities commissions in this province are right. I would ask him to weigh that for himself. Either 312 public utilities commissions and the Municipal Electric Association are right in their contention about the effect—not what is actually written in the bill, the legal jargon in the bill, but the effect it will have on real men and women in this province and hydro consumers.

He should not debate with me, I would say. His debate is with the 312 public utilities commissioners and the public utilities commissions and the almost 10 million people who consume electricity in this province. Those are the people he is here to represent. Those are the people he is responsible to. For his own sake, I hope he responds in an open and fair manner and comes clean with the people of Ontario.

Mr Wiseman: I am pleased today to rise to continue the discussion on Bill 118. I would like to begin with a few general points. The bill says, "There shall be a board of directors of the corporation consisting of a chairperson, a vice-chairperson, a president, the Deputy Minister of Energy and not more than 18 other directors." That is in the bill. That is a fact. It is reality, or will be a reality. "The deputy minister shall not vote at any meeting of the board." The deputy minister has been assigned to this board to create a greater liaison between the government and Ontario Hydro in order to encourage greater accountability.

The next subsection is, "The chairperson is the chief executive officer of the corporation." It is my understanding that this was the way it used to be. This is merely a return to the way it used to be.

"The directors appointed by the Lieutenant Governor in Council, other than the chairperson, shall be paid such remuneration and expenses by the corporation"—and this is the section that has created great angst for the members across the floor, that the chairperson shall be paid and that this should be determined by the board of directors.

I would now like to move to subsection 9a(2). One of the issues that is important in this debate is the issue of the accountability of Ontario Hydro to the Ontario government, not just the NDP government but presumably governments in the future that way down the road will also have to deal with this. They say that this is going to be a one-way street, that there will only be one direction of directives, that there will only be one way that Ontario Hydro will receive directions about what it should do. This is not the case, because subsection 9a(2) states, "Before issuing a policy directive, the minister shall consult the board with respect to the content and effect of the directive on the corporation."

In a consultative process it would be hoped that the power of argument and the persuasiveness of argument would prevail and that the direction Ontario Hydro would then choose or the government would then choose for Ontario Hydro would be clearly discussed and agreed upon in these consultation processes. We know, and the honourable member for Renfrew North has implied on many occasions, that this is not going to be without political and ideological considerations. This may or may not be the case, but it has been my experience that when rational, intelligent people sit down and discuss issues from all sides, you get better policy. It is the hope and the intent of this section to create that kind of an atmosphere.

Subsection 9a(3) says, "The directors shall ensure that policy directives are implemented promptly and efficiently." So they should be.

Subsection 9a(5) says, "The board shall report to the minister whenever it exercises a power or performs a duty to which a policy directive relates," therefore establishing two-way communication between the board of directors of Ontario Hydro and the government of Ontario.

I would like to turn now to some of the other issues that have been raised with respect to this bill. I would like to ask a question. Where do you find social experiments in Bill 118? There is no area in here where it says social experiments are going to be the case. What we have seen with Elliot Lake and Kapuskasing is this government's commitment to the belief that contracts entered into in good faith should be met. The residents of Elliot Lake came to Queen's Park and made persuasive and compelling arguments that they moved to Elliot Lake in good faith, believing that there would be a 20-year supply of uranium from that community to Ontario Hydro. They uprooted their previous lives and moved to Elliot Lake in good faith because that was the bargain that was struck there.

I for one believe that a bargain entered into should be a bargain kept, unlike perhaps some of the other members who would dissolve those bargains for the expediency of price. What price can you put on the disrupted families, the destroyed lives, the broken promises and the torn-apart

dreams of the people of Elliot Lake if you do not at least try to stick to the bargain that was made and entered into in good faith with them? I would be very disappointed in any government that would not do that.

1550

The cost of hydro in Ontario: This is a very important part of the debate, but it is only implied through the bill that costs are going to be increased. I would like to point out that the cost of building the Darlington nuclear generating station has put excessive burdens on the cost of generating electricity in Ontario. In fact, it has added somewhere in the neighbourhood of \$13 billion to the cost, to the debt guaranteed by the taxpayers of Ontario.

I do not believe any private corporation could have incurred that kind of debt without the kind of guarantees the province of Ontario has put up for Ontario Hydro. Power at cost, cost when, cost paid when and who pays. The federal counterparts of the Progressive Conservative Party take great pains to say that the federal deficit is a deficit on our children. I find it strikingly odd that they would not carry the comparison over with Ontario Hydro.

Having said that, the cost of bringing hydro into the marketplace is still going to be 25% to 30% lower in this jurisdiction than it will be across the border, and it is clear from what I have learned about the Clean Air Act in the United States that this cost advantage to Ontario is going to grow and become much larger. If I could just digress for a moment to explain that, I think it would be useful to the House.

The Clean Air Act in the United States is going to be implemented through what are called tradeable permits. How is this going to work? The first thing that is going to happen is that the Clean Air Act in the United States and its implementation over the next four to five years is going to reduce the volume of SO₂ emissions by at least 10 to 12 million tons, to a cutoff level of 13.5 million tons. The SO₂ emissions that are remaining will be distributed: 8.5 million tons to the utilities commissions, and five million tons to other industries.

All the SO₂ emissions will have to come down to that ceiling level. That is going to be a very costly process, especially for the midwestern United States, which has to put in coal scrubbers and machinery to remove the SO₂. So their costs are going to have to go up, because predominantly they are becoming more and more reliant on coal generation, as there are very few, if any, nuclear power plants being built in the United States. What will then happen—this should cause some concern to those of us who are concerned about the environment—is that if a utility commission reduces its levels below the allowable levels on its permits, it can then trade the surplus to other utilities commissions around the United States or within its own organization to come down to the levels.

It is going to create huge amounts of costs within the United States, which will give Ontario a cost advantage because we have the capacity—non-nuclear capacity—available to us. Ontario Hydro, in its own report, made this fairly clear, that there is unused capacity in the system which can be expanded to supply energy.

The scare and fearmongering I have heard here about brownouts, about patients who are hooked up to lifesaving equipment losing that because Ontario Hydro has lost the capacity to generate, is nonsense in the extreme. They are more likely to suffer the consequences of electrical interruption with a storm or a tornado—since we are getting them here in Ontario now—or hurricanes, which we have also had, or high winds where trees knock down electrical wires. But even with that, I do not know of a hospital anywhere in Ontario that does not have a backup diesel or gasoline generator. So it is patently unfair to indicate that we are going to have people all over the province, such as at hospitals, losing their electrical energy in cases of emergency.

I would like to continue by pointing out that within Ontario Hydro and within Bill 118 there is a section for a conservation program. "The cost of an energy conservation program to a municipal corporation or commission may be treated by it in its discretion as a current operating expense or as a capital expenditure." Rather than see that as an added burden to the taxpayers of Ontario, I think we should see this as an opportunity to move forward with energy conservation in programs that will allow us to free up electricity that then can be used to expand the industrial base and to promote economic recovery in this province.

I would like to be able to rise today and say that Ontario Hydro is the leader in this area, but unfortunately under the previous administrations Ontario Hydro has lagged far behind private sector companies in the United States that are doing even more. I would like to point out that the Southern California Electrical Utility Co, or SCE, in the United States has hired its chief adversary, an environmental lawyer who was able to cause that utility some \$6 million in embarrassment with a lawsuit that he brought forward because it was being negligent in its environmental responsibilities. They hired him, an environmentalist, as their chief executive officer and put him in charge of the fifth-largest privately owned utility in the United States. What would it be if we should have had some of them with Ontario Hydro for the last 10 years?

As I said earlier, it is somewhat disappointing to me to read that a private sector company is able to do so many things—and still make a profit—that Ontario Hydro has not yet even considered doing. It is being dragged into the 20th century kicking and screaming, and having what I would consider to be archaic thoughts being projected across the floor from certain members.

I should say that the chief executive officer's name is John Bryson and what he has said is, "Why build a 1,000-megawatt plant in the teeth of opposition from not-in-my-backyard activists when you can get the same return by conserving the equivalent amount of power?" Is this not what Ontario Hydro is doing under the New Democrats? Is this not what we want it to do; that is, to conserve energy?

How are they going to do this? They are going to do this by selling \$13 to \$18 energy-efficient lightbulbs for \$5. I smiled when I read that, because that is exactly what we have taken a lot of heat for in Ontario, having Ontario Hydro do the same thing. It is okay in the private sector, but if a public sector company does it, then somehow or other it is wrong. I have a little difficulty with that.

1600

SCE also pays industry customers to buy efficient motors and pumps. Ontario Hydro has the same kind of program to encourage an industry in my riding to move towards the efficient rewiring of motors and gives it grants and support to do that. Ontario Hydro has given a grant, thousands of dollars, to a company in the riding of Simcoe West, Lemmerz-Magna Industries, to improve the energy efficiency of its ovens for aluminum smelting processes, and it is part of this program that can be expanded under Bill 118 that puts me under duress. In fact SCE, a private company, has invested \$105 million in conservation that will grow to \$2 billion on sales of \$7.4 billion, considerably less than what is available to Ontario Hydro.

In some cases I think the private sector is further ahead and that we could learn from it and proceed. This energy that will be available will be a huge incentive to attract industry to southern Ontario and encourage economic renewal.

That is not all this company is doing. Southern California has one of the greatest pollution problems in the United States. They have temperature inversions where carbon monoxide levels become very high and where people who are asthmatic have to stay indoors and have special air filters on their windows so that they can have clean air. Southern California is perhaps being forced to move much further and much faster than other jurisdictions that do not suffer temperature inversions.

To that end, their requirements for energy are becoming more strict in terms of how clean that energy is going to be. In fact, SCE is considering starting a multibillion dollar program where it will supply service stations. Instead of buying gasoline in the service stations, one will be able to exchange one's batteries for batteries owned by SCE and have battery-operated and battery-driven cars. Mr Bryson of SCE is also looking into the expansion of electrical rail systems throughout southern California, which is something I think we could look at here.

There are examples around the world of what can be done, and that is why section 95a, the cost of conservation, is an important section. In the past the utility has shown a reluctance to do these things on its own, and it is important for us to make sure we move ahead.

I do not want to spend a lot of time this afternoon talking about this, but I would like to close by saying that we face an important environmental consideration, not just here but around the world. We are faced with a situation where coal generating stations in eastern Europe, for example, have completely devastated certain areas of eastern Europe, like Silesia, where the pollution levels are very high.

There are alternative methods to generating electricity other than burning fossil fuels. In my own riding, for example, I have one too many landfill sites. But the Brock West landfill site, which contains about 15 million tons of garbage from Metro and Durham, produces methane gas and, through a co-generation agreement between Ontario Hydro and Eastern Power Corp, is now burning the methane gas from that landfill site and producing electrical energy.

Mr Runciman: How much?

Mr Wiseman: That is a good question. I do not think it is big enough to—

The Acting Speaker: Order.

Mr Wiseman: Sorry, Mr Speaker. I will answer the question later.

The amount each of these generating stations can produce individually may not seem like a lot, but according to the Ontario Hydro study, the total amount that is possible in Ontario through what it calls the non-utility generation plan is somewhere in the neighbourhood of 2,107 megawatts of non-utility generation. This is a fair amount of electrical generation.

Mr White: How many nuclear stations?

Mr Wiseman: I think it is at least two Darlington stations. But I think Darlington has one reactor up about 30% and the rest are still having problems. That is one of the problems. I am glad the member raised that because it is an important point.

The opposition member for Lanark-Renfrew has indicated on more than one occasion that we are going to run out of electrical generation capacity over the next few years. I do not think he is right, but his solution is to build another nuclear power plant. We have been building Darlington for a number of years and it still is not up and running, not to mention the fact that Ontario Hydro at Pickering is running at about 63% capacity. I do not like to run down Ontario Hydro. In terms of electrical utilities it is an excellent one, but I think we have to be realistic about the comments we are making. I have a lot of residents who work at Pickering and at Darlington and they are constantly making me aware of the importance of that option.

However, having said that, it takes an awfully long time to build a nuclear power station that works. It is stretching the imagination a little to think that we could build a nuclear power station overnight, and that is the kind of image that is being left.

In closing, since this is second reading, this bill still has to go to committee with its changes. There are possibly other amendments available, but I think this bill takes us down a road we need to take. We need to look at energy as a component for economic renewal. We need to look at it as a component of forming the basis of the new industrial growth that has to happen in southern Ontario. It is through this bill that we are going to get a better interplay between Ontario Hydro and the Ontario government, so that when the goals are set and policy directives are arrived at there is consultation, discussion, a focus for long-term growth and a mutual understanding of how that growth can be achieved in partnership and co-operation.

I support this bill and thank members for the time.

Mr Conway: I have just a couple of very quick points. I was interested in what my friend said about Elliot Lake, and I want to take him back to the order in council signed by the Lieutenant Governor on behalf of the new government here in June. I said a couple of weeks ago, and I repeat, that any scrutiny of that order in council makes it plain that the Bob Rae government blackmailed Ontario Hydro into a \$250-million regional development scheme for Elliot Lake. There is no question about that. A reading

of the order makes that abundantly plain. I have no difficulty with an assistance package for Elliot Lake, but I have a great deal of difficulty with making the hydro ratepayer pay that bill.

The member makes a good case for certain aspects of government policy and I respect him for that. If he wonders why people are concerned about this government's policy and this bill, it is because of what we have already seen. We have seen chapter 1 at Elliot Lake and chapter 2 at Kapuskasing.

The second point my friend raises is the whole conservation ethic. No one in his or her right mind could oppose the conservation ethic. Of course we have to do more. In an age of plenty some decade or two ago I suppose we ought to have done more, but the supply at that time was much greater than the demand and we got into some pretty conspicuous consumption habits.

1610

What I object to about the conservation ethic, and more particularly about the conservation policy that is being advocated by some, is that for those of us like myself and others—I think of the Minister of Tourism and Recreation, for example—who essentially represent rural constituencies, the farmers have no option.

I was talking to a dairy farmer the other day. His hydro bill is \$12,000 to \$13,000 a year. The conservationists want to drive that rate up to \$20,000 in two or three years' time. That is a 50% increase, and the farmer has no choice. There is nothing he can switch to.

The Acting Speaker: The member's time has expired. I would appreciate it if all members would adhere to the time allocation, especially members who are experienced in this chamber.

Mr Conway: Do you have a point you would like to bring to my attention, Mr Speaker?

The Acting Speaker: I believe I have made my point. My job is to keep good order.

Mr Conway: And balanced order; a good referee sees both sides.

The Acting Speaker: I am trying to do that, precisely, as fairly as I possibly can, and appreciate your co-operation in that regard.

Mr Mammoliti: On a point of order, Mr Speaker: My colleague the member for Renfrew North used the term "blackmail." He said the Bob Rae government blackmailed Ontario Hydro. Is it parliamentary to use that word in this place? I would like you to rule on that perhaps.

The Acting Speaker: I thank you for bringing this matter to my attention. I will review Hansard. I am not sure of the language that was used and the connection in which it was used. I assure you I will review the record.

Mr Hope: I would like to comment on my colleague's analysis of what is going on around Ontario Hydro and what we see in the United States and other parts of this world.

When I have talked to the agricultural community and also the business community, one of the major concerns has been consistency in energy policy. There really has

been no direction in energy policy. A lot of them have been entrapped by changes of direction in governments all the time.

One of the important elements brought out in my colleague's speech today was the issue of dealing with management direction and making sure the leadership capability is there to meet the needs of the communities we serve. Indeed for the rural members it is very important that when we formulate policy for Ontario Hydro, we make sure the leadership is there to assist those rural areas, especially my own, and that the agricultural community, the farmer, the small business person who is changing or making sure his plans are energy efficient is not being led down the garden path and that the energy policy will not change two, three or four years down the road.

We should start to reflect on this bill to make sure the direction, the leadership ability, is there. As my colleague pointed out, a number of private enterprises are providing energy and making major strides. Meanwhile Ontario Hydro still has a long way to go.

Mr Ruprecht: I have listened to the comments of the member for Durham West very carefully and I can only come to the conclusion that he suffers from selective perception. On this side of the House we have a memory. If I did not know any better and thought only in skewed terms he might even have a point. But essentially the point is that we cannot shift to alternative sources of energy.

His suggestion that we should get into electricity for cars may be a good one, except that the prediction is that three years from now electric energy will cost over 50% more, if you add 44% and the GST and other taxes. Under those circumstances we simply cannot think about any alternative sources of energy. We would not be able to drive an electric car simply because for most of us it would be too expensive. To talk about electric cars and not to include a cost-benefit analysis in this kind of statement is ludicrous. I would think the member for Durham West in his brief remarks—he has two minutes left—might address himself to the fact that I predict the rates will be over 50% in three years, and cars may not be able to driven under those circumstances.

Mr White: I would like to commend my colleague the member for Durham West on his talk. As usual, he has demonstrated excellent research and knowledge of this whole issue. I think his survey of the issue is very comprehensive. I would like to pick up on a couple of points he made.

One that I have had brought home to me very acutely recently is that people are sick and tired of huge hydro rate increases, increases they were not prepared for because in the past the cost of hydro was disguised and hidden from them. The actual, real cost has to be dealt with. It has to be part of the economic renewal package.

The conservation issues my colleague mentioned are very significant as well. Those conservation issues, those environmental issues, and the economic renewal package have to go hand in hand. There are real costs, and there are also real costs in ensuring the most sound environmental, ecological generation of power possible.

Part of that, of course, is conservation. Part of that is a diversity in the activities Ontario Hydro offers. Ontario Hydro has been renowned for tremendous feats of engineering, but it has not been renowned for a huge diversity and variety of engineering, such as is starting to be the case with this government. We are starting to generate real diversity in terms of conservation techniques and energy savings. Those energy savings will have tremendous benefits in the long term. Those are the issues that my colleague brought up and that I would like to commend him for again.

Mr Wiseman: I would like to respond to the member for Parkdale. The reality of the automobile and the need to move to a more energy-efficient method of transportation is being defined in the United States within the Environmental Protection Agency and within the Clean Air Act.

In order for a fleet—and “fleet” means all the cars produced by a company such as General Motors—to reach the tradeable permit standards allowable in the United States, the company is going to have to reduce the number of emissions that are available. They can do that within the fleet by trading off emissions created by gasoline against the tradeable standards created by battery-driven automobiles to bring them down to acceptable emission levels. There is no choice in this. This is going to be law within the United States. The Big Three auto makers in the United States are well aware of this and are working towards creating fleets that contain cars driven by electrical energy alone.

I would hasten to add that if it is economical to put a car into the southern California market, where costs for electrical generation are anywhere from 30% to 40% more costly than they are here, we should be able to do the same thing with our cheaper energy. The greater the diversity, the cheaper the energy. I wish I had more time because there are more examples of where energy efficiency and energy ingenuity are creating a good basis for economic growth.

1620

Mr Brown: It is an important debate that is taking place here today and that will take place in this Legislature over a period of time, because this is in my view a very important bill before this House and one that needs to be considered very carefully.

I have had some interest in Hydro issues and energy issues in this province since my election in 1987. I sat on the select committee on energy in both its incarnations in the previous Parliament, once as the vice-chairman. Because of that I consider it a privilege to be able to offer at least some views on this bill.

I also think it is important that I have something to say because I happen to be our party's critic for northern development. In my view and the view of our caucus, those in the north will perhaps be the ones who suffer the most because of this piece of legislation.

Third, I am entering into this debate because I represent the riding of Algoma-Manitoulin, a riding that includes the city of Elliot Lake. I think it is important that we state our position and state clearly our party's view and my

view, which has been consistent over time, about Hydro's proper use and Hydro's obligations to the community of Elliot Lake.

I would like to talk for a moment about the luxury, maybe, of being in opposition. The luxury of being in opposition is that you can present your views in any manner you wish and hopefully the public will believe you. That is what you strive for, to have the people believe you have a better view of the world than the government party or the other opposition party or whatever interest group might be out there with some particular view. That is what you do.

When you go to government, there is a report card. When you go to government, you can see the effects of your policies. They are not debated on some college campus, about whether this was correct or incorrect. The people have a report card. They can see clearly what the result of that particular policy is.

With Bill 118, with the amendments to the Power Corporation Act, we are going to be able to judge in 1994 or 1995, or whenever, whether the bill delivered the goods, whether the bill did what the government said it would do. It is not going to be some academic debate; it is going to be a matter of public record. I think the realities are not going to be as pleasant as the government would have us believe.

I have received, as have many members, letters from hydroelectric commissions. I have only three hydroelectric commissions in my riding. Two of them are very small and another is in Espanola. This letter happens to be from Espanola, which as an aside is the energy conservation capital of Ontario. This is a community that is a pilot project; it is power savers. The community has got together with Ontario Hydro to put together a program to buy energy conservation. This is a program that is rich. This is a program that will help my constituents in Espanola keep down the costs of electrical energy. But this is an experiment. Hydro is to find out after two years how much real conservation it can buy, and at what price, and price is important.

The hydroelectric commission in Espanola says:

“On behalf of the Espanola Hydroelectric Commission, I am writing to express our opposition to Bill 118. Bill 118 threatens to destroy Ontario's long-cherished principle of power at cost by making electricity rates a new source of tax revenue for the provincial government.

“Under Bill 118, the provincial government would be able to issue policy directives that bypass the democratic legislative process binding on Ontario Hydro and that could force Hydro to do things that are outside its current mandate: the provision of safe, reliable electricity. In addition, Bill 118 would force Ontario electricity consumers to pay for these policy directives through their rates. This is unacceptable.

“We also object to the sections in Bill 118 that permit Ontario Hydro to subsidize fuel substitution through electricity rates. This is unnecessary, as market forces alone are enough to encourage certain types of fuel switching.

“The Espanola Hydroelectric Commission supports the campaign of the Municipal Electric Association to change

Bill 118 in the areas of policy directives and fuel substitution. Bill 118 is flawed legislation that sets dangerous precedents and allows a new, hidden tax grab by the provincial government."

This is what is being said by a hydroelectric commission that is in the throes today of one of the most active energy conservation programs in the entire world—not just Ontario, the entire world. They are not happy. They understand the ramifications of this bill, the intent of this bill and the public policy this bill represents.

I have a little bit of memory about what has happened on power corporation issues in this place in the last three or four years. What I find pretty difficult to understand is that we had Bill 204, a bill put forward by the former Liberal government that divided the positions of chairman, chief executive officer and president in a way that was not done before. Under this piece of legislation, the chief executive officer was also to be the president and not the chairman.

What is interesting is that not only did we debate the bill in this place, but it went to committee hearings. There was a long and useful public hearings process on Bill 204. What is really interesting about all this is that as far as I can discover, having sat through most of it, the NDP did not have a particular problem with that bill. Quite frankly I cannot recall whether it voted against or for it on second and third reading. The reason I cannot recall is that there was no recorded division. If they were opposed, it was not a strong opposition. Out of that, they agreed to these things. They agreed to what the Liberals wanted done.

What really was done there? In Bill 204, we got a memorandum of understanding between Hydro and the Ministry of Energy to foster greater co-operation and co-ordination of the provincial electricity system. The terms of the MOU also directed Hydro's board of directors to ensure that Ontario's electricity was provided at the lowest possible cost over the long term.

There was a strengthening of Hydro's mandate for energy conservation programs. Ontario Hydro was given authorization to provide incentives and technical assistance to encourage more parallel generation. There was increased public awareness and involvement in the overall rate-setting process and a requirement that Hydro submit its long-term strategic plan and annual operating plans to the Ministry of Energy.

It had a requirement that Ontario Hydro submit regular system development plans to the Minister of Energy to detail Hydro's most up-to-date forecast of electricity demand, plans for conservation, energy-efficient measures, power purchases and generation proposals. It had the designation that the chairman of Ontario Hydro be a separate position from that of chief executive officer. The NDP had no problem with this, or at least only minor opposition.

1630

To point that out, I have the NDP's great and wonderful solution to Bill 204. This is kind of interesting, if you look at this. This is what those good old New Democrats wanted to see added to Bill 204. Actually, it was an agreement of the entire committee, a unanimous agreement, that we send this letter to the then minister. This is heavy-duty

stuff that shows they had a real problem with the way Ontario Hydro operated. What they said was:

"The select committee on energy has completed its hearings and deliberations on Bill 204. During the course of those hearings there were a number of issues brought to the attention of the committee by deputants which do not bear directly on Bill 204 but which relate to the practical implementation of items dealt with in the bill or matters directly related to the consideration of Hydro's preferred plan.

"The committee believe that the question of avoided costs must be resolved quickly. The committee feels it is imperative that this item be a part of the public review of Hydro's preferred plan. The select committee on energy was made aware, through presentations to the committee on Bill 204, of concerns regarding the review of Hydro's long-term plans, the monitoring of Ontario Hydro's conservation and energy-efficiency programs and the strengthening of the role of the Ontario Energy Board. We hope that you and the Ministry of Energy will carefully consider these concerns when developing and implementing further policy and legislation. The committee feels these matters are of urgent concern."

Does that sound to anybody out there as if they had great problems with Bill 204, a bill passed in 1989, two years ago? No, I do not think they had great problems in 1989. As a matter of fact, as I remember, what they really wanted was the Ontario Energy Board to be able to set Hydro's rates. They wanted the Ontario Energy Board to set them, not this Parliament, not the government; they wanted the Ontario Energy Board to do that. I just leave members with that. Bill 118 then comes as a total shock because it reverses what was done in Bill 204. Why did that happen? Why this sudden change of policy? Was it enunciated in An Agenda for People? No, I did not see that being said in the great Agenda for People. It was not there.

Mr Conway: Where was it?

Mr Brown: I think, as my friend the member for Renfrew North is pointing out, it was in the mind of a Deputy Minister of Energy we know and love. What we end up having is this bill Mr Eliesen has written that confers most powers on Mr Eliesen; quite an astounding thing for a New Democratic government to be doing.

I suggest that the government does not have a mandate for this. I suggest the government did not tell the people it intended to do this. The government did not tell the people of Ontario it had a hidden agenda to increase the taxes through their hydro rates by 60%. My residential constituents will pay 60% more in the four years this government is in power, and if it decides to stay for the full five, I am afraid of how much it might cost.

If you are a farmer on Manitoulin Island, at Wikwemikong, Manitowaning, in Burpee township or Sheguiandah, you are in big trouble. We have some of the finest dairy herds in this province in that area, and farmers consume tremendous amounts of energy to produce the milk and the other good things the people of Ontario have taken for granted. They have no choice; there is nothing they can do. There is no way the people on the farms of

Algoma-Manitoulin can switch to natural gas. The last time I looked there were no pipelines. You cannot get gas at Massey. You cannot get gas in the township of Salter. It cannot happen. There is no way for these people to take advantage of some of the wonderful conservation we expect rural northern Ontario to pay for so their city cousins can get cheaper energy by switching.

That is a remarkably shortsighted policy and I do not think my constituents, the constituents of most rural ridings, or any rural riding for that matter, will appreciate having their bills go up 60% so they can pay for someone in Toronto to switch to natural gas. I do not think they will like that idea, I do not think they will accept that idea and I do not think it is going to endear this government to the people of Ontario.

In the north we consume 13% of the electricity in this province, and that is mostly because we are resource-based. Our mines and our forest products industry use tremendous amounts of electricity in their processes and, yes, they are interested in energy conservation. I know of quite a number of mines that have active energy conservation programs. I know pulp and paper mills that are working very hard to reduce their reliance on electricity, yet still they will be major consumers of electricity.

We know our pulp and paper industry and our sawmill industry are experiencing the worst of times. They are expected to be competitive on a global basis in a situation where they are having difficulty selling their products, and when they do, it is at a price that is just too low. To add to the burden of these enterprises, the huge increases in electrical rates may be the doom of many of these industries, and therefore the cause of great dislocation in the cities, towns and villages of northern Ontario.

I do not think that is acceptable to any of us and I do not think my constituents want to put up with this. I look forward, as all members do, to a long hearing process as we go across northern Ontario to find out what the folks out there really think about the kind of rates this government thinks they should pay.

One of the contentions the government seems to make continually is that the social policy we are following by providing assistance to Elliot Lake and to Kapuskasing should be paid for by the ratepayers. I want to make it extraordinarily clear that this party and I have fought consistently for Elliot Lake. We have fought consistently for programs for Elliot Lake. We are looking for economic opportunities for Elliot Lake, for diversification for Elliot Lake. We are proud of the work that was done in Elliot Lake prior to the election of 1990 and are happy with what has happened afterwards, at least so far as it has gone to this point.

We are unhappy, however—and I have said this from the first, as my party has—with the idea that the ratepayers of Ontario Hydro will pay that, because my senior citizens in Elliot Lake are going to see great increases in their electrical bills. When we are trying to attract seniors to retirement living programs, they are going to pay more. They are already paying what they think is too much, and it is one of the things we are hearing over and over again

in my constituency office and, I am sure, in meetings of seniors in Elliot Lake, wherever they might happen.

They do not feel it is fair that they are having this increased burden placed on them because of their economic difficulties. They do not believe that. They do not think Ontario Hydro should do it. Who do they think should pay? I will tell members who should pay—the consolidated revenue fund should pay what it takes to diversify Elliot Lake.

1640

I think that is because they know Elliot Lake has contributed a great deal to the province. Elliot Lake has contributed to the coffers of the province through mining taxes and all the other taxes, through the income taxes of the miners, through the sales taxes they have paid, through everything else, into the consolidated revenue fund, and they believe it is time they got some of those taxes back.

I agree with that, yet what we have is not the consolidated revenue fund providing the economic diversification fund for Elliot Lake. Who is providing that? It is the ratepayers of Ontario Hydro. Is it because, with a \$9.7-billion deficit, they did not really think they could justify at cabinet taking it from the consolidated revenue fund? Is it because Ontario Hydro was there with a \$6.5-billion revenue? It looked like it was somebody who was just ready to be plucked. I think that is exactly the reason.

Since its inception as a mining community in the 1950s, Elliot Lake has gone through some bad times and some good times. The last time it was in a bad situation, when the uranium market went soft, the federal government came to the rescue. The federal government, under the direction of the then Prime Minister and their local member, Lester Pearson, decided it should buy the uranium from Elliot Lake and stockpile it. They stockpiled it and held it. When the federal government disposed of it, it made a considerable profit—not a bad deal for the people of Canada and certainly a good deal for the people of Elliot Lake.

Hon Miss Martel: A good deal for Rio and Denison.

Mr Brown: The Minister of Northern Development and Mines seems to ignore the fact that Ontario Hydro and the government of Ontario have made decisions together for a number of years. When Ontario Hydro signed the contracts with the two mining companies, it did so with the consent of cabinet and after a review by this Legislature.

Interjections.

Mr Brown: The minister knows they were reviewed by a committee of this Legislature that the present Minister of Housing sat on.

The Acting Speaker (Mr Villeneuve): Order, please. The honourable member for Algoma-Manitoulin has the floor. Interjections are not in order. If you wish to participate, there will be time after the member has completed his remarks.

Mr Brown: The point of this is that on at least two occasions the Legislature of this province looked at the terms of the contracts. The New Democratic policy, if I recall, was that the contracts really should not be issued and what they should do was nationalize those mines.

They did not. It did not happen. The Conservative government at the time awarded those contracts, but what people seem to forget is that Ontario Hydro, although a major purchaser in Elliot Lake, did not buy the bulk of the uranium.

Unfortunately, we had in Elliot Lake the layoff of 2,400 people last year. Not one of them had anything to do with Ontario Hydro. Those layoffs came because of contracts that were offshore. Tokyo Electric, Duke Power and others cancelled their contracts with Elliot Lake, and when they cancelled those contracts, 2,400 men and women in Elliot Lake became unemployed.

This government, some time ago, then cancelled the Denison contract Ontario Hydro had, putting another 1,000 out of work next spring, and continued until 1996 the Rio contract in Elliot Lake, keeping some 600 people or so employed at the Stanleigh operation. These are difficult times for the people of Elliot Lake and the North Shore, and help should be and must be provided to a town that exists, or a city that existed, solely because uranium was found about 18 miles north of Highway 17.

For a town to diversify takes some money. It takes some continuation of the process, and we on this side are pleased that the government is involved in Elliot Lake and providing assistance to the people there, but we are not pleased that the government has said the responsibility belongs to Ontario Hydro. "Ontario Hydro, you pay \$250 million, and we plan to pay, as the province of Ontario, about \$15 million." It is a good deal for the government of Ontario, but a tremendously bad deal for the people who pay the electrical bill once a month.

That is the kind of problem we have in the north and as we are talking about diversifying Elliot Lake. Today we had Atikokan. We have had Kapuskasing. We are going to have problems in the Sault. We know all those things and we know the answer is diversification and more industry. Are we going to attract industry to a province that seems bent on and determined to increase the rates by 45% or more?

I think that makes the difficulties of Elliot Lake, of Kapuskasing, of Sault Ste Marie, of Atikokan, just that much more difficult. It certainly makes it more difficult for the smaller towns and villages of the north to compete and just for people to live their lives the way they did three years before. When you find that a cost that is associated with your daily life increases radically when, if you are a senior, your income has not increased, if you have just been laid off your job logging, if you are having a hard time making ends meet on the farm, if you are on a fixed income in one of the small towns, paying that Hydro rate will become more and more onerous.

I know government members are going to say, "Yes, but the conservation programs are going to help," and yes, they are, but who are they going to help? Many of the senior citizens, many of the people on unemployment insurance cannot afford to get into this game. No matter what the incentive is, they do not have the cash.

I have some experience with conservation first hand. I just had the fun, the pleasure—

Mr Conway: Fun?

Mr Brown: Fun might not be the right word—of putting a ground-source heat pump, at a tremendous cost, into my home. That was the option. If you are going to be efficient and conserve energy, for me, who lives where there is no natural gas, a ground-source heat pump is the thing to use.

Hydro provides me—and I thank Hydro very much—with a \$1,000 grant to put that in. That is nice. They provide me with a \$12,000 loan they brought the interest rate down on. I am very happy about that, but even so I will be 10 years at least getting my money back. Fortunately I can do that, but there are a lot of people out there who cannot afford to take that kind of burden on, and there are a lot of bankers who would say to them, "You can't have that \$12,000 loan from Ontario Hydro because you can't pay it back to me." For those people, we have a huge problem.

1650

What the government is doing with this bill and the policy it indicates is putting the burden on the people in this province least able to pay. They are putting the poor, the seniors and the people on fixed incomes in a terrible, impossible position while they allow the yuppies, the people with money, the people with the ability to do some of these fancy-dancy things that I agree are important. They are the people who are going to do them. It seems backward to me to have the poor subsidize the rich. It is Robin Hood in reverse.

I am really worried what the economy of the north will do and what effect it will have on the people in my constituency. The people at Shesheganwaning, the people at Sucker Creek, the people at Whitefish Falls are going to have problems—in an economy in the north which is not very strong—paying the kinds of bills this government is bringing forward. I am glad I am not one of the 10 New Democrats in the north who have to go home and explain to the people how wonderful the government's energy policy is and how wonderful the government's programs are. They are not going to buy it, because they will not have any money.

What is Bill 118 really about? Bill 118 is about stacking the board of directors of Ontario Hydro so that the energy policy of this government will go forward regardless of whether it is in the interests of the consumer of electricity. It is instructive to note the last time anybody in this country stacked something to make people pay more money. As I recall, it was to get a tax through in the federal jurisdiction, the GST. A certain Prime Minister, who will remain nameless, appointed additional people to the Senate of Canada so that he could get his way. It seems to me that what we are doing here is exactly the same thing. We are appointing more members so that the Premier and the chairman of this corporation can do what they will without any regard to the concept of electricity at cost.

The reason for that, and I think it is one of the most interesting provisions in Bill 118, is that it absolves the directors of liability. Can members believe that? Why would they want to absolve the directors of the corporation of liability? Do they not want people who are responsible? Do they not want people to carry out their duties knowing that if they fail to do so, there will be recourse? I suggest

that any corporation with a board of directors that is not liable for anything, which is virtually what this legislation says, should not have a board of directors. They are just a bunch of lambs. They are just powerless to do what the ratepayers of Ontario want them to do. They are powerless to change that because they must listen to Chairman Bob and Chairman Marc give them their directions.

I do not think any corporation with a board of directors that is not responsible to the ratepayers, or in this case to the shareholders of the corporation, the people of Ontario, really even needs to have a board of directors. Maybe we should go back to the days when Ontario Hydro was just a ministry of the government. If that is what the NDP wants to do, it could save us a lot of trouble if it would just make the Minister of Energy the chairman, and the deputy minister could run Ontario Hydro directly. Maybe that way we would get that long-sought-after accountability that seems to be what these people on the other side are after.

But it is not about accountability. If it were about accountability, it would be about accountability to the Legislature. It would even be accountability, as the member for Hamilton Mountain used to suggest back at the select committee on energy, to the Ontario Energy Board. That is where it would be. The accountability would be to someone other than the government.

The government has control of Ontario Hydro and has had for decades. There is no question who runs Ontario Hydro. The Premier of Ontario appoints the directors; he knows who is there. The chairman is appointed by the Premier; he knows who is there. There is no question the government had proper accountability or at least could suggest to Hydro that this is what it do. I do not think that has ever been a problem.

The people of Ontario deserve a board of directors that is responsible to them. If the government wants more accountability at Hydro, perhaps it should have a mechanism that brings that policy before the Legislative Assembly, in either a committee or this place, so we could have a vigorous debate about what Hydro is doing. The sun would shine on Ontario Hydro and we would really see into the policy Ontario Hydro wants to follow.

I was interested that my friend who was just speaking was talking about the environment. There are some huge questions around the environment that Ontario Hydro will have to face in the next 25 years. He was alluding to the SO₂ emissions in the United States and he was talking about the restrictions that will happen regarding the emissions into the air, which usually end up over Canada at some point.

What is interesting is that Ontario is buying more and more power outside our jurisdiction and is contributing to fossil fuel use in the United States. As someone concerned about the environment, I wonder if that is really good public policy on the part of Ontario Hydro. Is importing our pollution any better than creating it ourselves? It may be the government answer, but I am concerned about that, and more concerned that the future this government sees for electricity generation is more fossil fuel use. This bill, as a matter of fact, talks about allowing Ontario Hydro to pay to move to natural gas. Ontario Hydro can pay to subsidize

the consumer to move to natural gas. That is an interesting concept, to move from electrical energy to burning fossil fuel. It is one we should, and must, think about.

I wonder too about the greenhouse gas emissions. I wonder whether this government has any idea or any policy, because I have not seen it, regarding the lowering of greenhouse gas emissions in the province. Some of the most advanced countries in the world are actively pursuing that goal—look at Germany or the Netherlands—and are actively attempting to lower their greenhouse gas emissions.

I would like this Minister of Energy to stand up and explain to me what this government's policy is towards greenhouse gases. I want to know if by the year 2005 we are going to see a net reduction in the amount of greenhouse gases emitted in this province, and not just in electricity but in the fuel switching that he is causing and in the importation of fossil fuel use through having electricity purchased in an adjacent American state. I think those are critical issues the people of Ontario want to know about.

1700

I have been a strong proponent of parallel generation and cogeneration. We talk about it, but when we talk about it we have to have a look at the amount of emissions we are getting there, because the atmosphere does not know the difference between SO₂ emissions and greenhouse gas emissions. It does not know whether it came from a private source or a public source. The atmosphere does not know that and the effect is the same.

I want to know whether this Minister of Energy has thought about that question and can assure the people of Ontario that the amount of acid gas and greenhouse gas emissions are actually going to be lower rather than greater. I would be surprised if he could answer that in the affirmative because I do not think he knows. I do not think there is a policy towards that.

The environmentalists in this world, the scientific community, are telling us that if greenhouse gas is not the number one environmental issue confronting our societies, it is the second. I am not sure what the first is. In my view it is the most important issue facing this planet, yet we have heard nothing about fossil fuel use. We seem to have a bill, rather, that encourages it. I am concerned about that. I am worried and I think everybody over there should be.

I hope the minister can come before us and say, "By 2005 we will see a 10% reduction in the amount of greenhouse gases that are allowed in this province." I would really want to see that. I think it is something the select committee on energy was looking at in the last Parliament. We were looking for the government of Ontario to provide a lead role. The former minister had started that process two ministers ago, and we have yet to hear in what direction Ontario Hydro and the Minister of Energy intend to go with what I believe to be an important issue.

There is a plan. I do not know whether the members over there have seen this book. This is the book Ontario Hydro put out. It is their 25-year plan for providing electrical energy to Ontario. It contains not just one plan; it contains quite a number of plans. It also tells us some interesting facts.

One of the facts, as I mentioned before, is that northerners use 13% of electricity. It also tells us that the north is a net importer of electricity, and everybody knows that when you are a net importer, the money is flowing out. I think northerners want the money to be flowing in. This plan has some great suggestions. As a matter of fact, I think there are 30 or so plans in here.

I want to tell members about the government's anti-nuclear moratorium, which is going to last for two years. I thought that was very interesting, seeing as the plan was before the environmental assessment and could not happen anyway, so it really was not a very meaningful sort of plan.

There is a way to do that over there. I just want to read from this case 26, which tells the government how this could be done. The advantages of this plan: "It has the lowest impact on electricity prices from 2000 to 2009"—that is good—"and the lowest net borrowings over the plan period." That is great too. It has a "more equal mix of fossil and nuclear energy, when the whole system is considered. Fossil energy will provide 34% of the electrical energy, and nuclear 39%. There are public concerns about nuclear safety and radioactive waste disposal. Case 26 features no new nuclear stations." Existing ones are still there but there are no new ones.

What are the disadvantages? There is "a higher 25-year plan cost." "The expected cost of case 26 is \$857 million"—in 1989 dollars—more than the proposed case. "There is a 97% probability of case 26 being higher cost.... Costs to 2044 are \$3,004 million higher than case 15." While it meets acid gas limits, it does not provide for margin under the upper forecast. "Under upper, median and lower load, case 26 exceeds illustrative CO₂ targets of 24 Tg." I do not know what that is; 1,000 tons per year. Average annual CO₂ emissions are very high. It does "not have the flexibility to respond to tighter acid gas regulations or CO₂ regulations." In other words, you cannot decrease acid gas emissions or greenhouse gas emissions. It has "the lowest Ontario goods and services content and the lowest Canadian content," and it has a "poor balance of trade relative to other cases."

That is the electrical future we are looking at if the government pursues the policy it is pursuing, some \$3 billion over the period of the plan. The effect of that on consumers today would be quite interesting. I would like the government to fight an election on that particular idea.

We have heard the government claim over and over that the problem for these higher rates that it needs—I should remind the public that the electrical rates in this province last year increased about 8%. It depends on who you are a customer of, what part of Ontario you are in, whether you are a direct consumer or whether you buy from one of the utilities. This year they are forecasting, I think, 12% or 13%.

Mr Huget: It is 11.8%.

Mr Brown: I am told it is 11.8%. That is the minimum and that is the bulk rate. In some places, I understand, it is as much as 29% because of the particular utility. In others it will be more like 12% or 13%.

They say the problem is the nuclear reactors, and they are right. There is no problem. We all have concerns with how well our nuclear reactors are performing, but last year when rates went up 8%, the nuclear reactors were operating, according to my information, at 63% of capacity. The good news for the government is that during the first six months of this year they were operating at 70% of capacity. As anybody would know over there, a good number for a nuclear reactor system to be operating at is 75% or 80%. Our reactors have been operating at 12% better than the world average over time.

For them to suggest that we need a bigger raise this year than happened last year when our nuclear reactors were producing less seems rather odd. I think the public of Ontario and the members in this House will have to have some questions asked about that particular bit of mathematics, why the reliability of the service improves by 7% and yet the rates have to increase another 50% over what they had the year before. That to me is quite an astounding bit of mathematics.

I have rambled here for a bit and raised—at least I hope I have—a few concerns, but what I am trying to express is our total dissatisfaction with a bill that will allow Hydro to do some things that I do not think the people of Ontario want it to do. I would suggest to the government that the best thing to do with this bill is to withdraw it and start over from scratch. I am not even sure it really needs a new bill. Given the government's at least tacit consent to Bill 204, the previous amendment to the Power Corporation Act, I can see no real useful purpose for this bill unless it is just to make Ontario Hydro a lackey of government.

It has nothing to do with accountability. It has everything to do with whether the government can raid the treasury of Ontario Hydro, and I believe that is what this bill does. It is not in the interests of my farmers; it is not in the interests of my loggers; it is not in the interests of seniors in small towns; it is not in the interests of anyone in rural Ontario, and I would suggest to the government that it certainly is not in the interests of building a strong, viable, competitive Ontario economy that can compete in the world marketplace we are now in.

If anyone suggests that this is the case, I will be glad during public hearings throughout the north and throughout the rest of the province to discuss that. I hope the government can accede to those, because I think the people of Elliot Lake and the people of Espanola and the people of Manitoulin Island and the people in our first nations would like to speak to a bill that provides a 44% increase over time if this vehicle for public policy is allowed to stand.

1710

Mr McLean: I would like to comment on some of the remarks made by the member for Algoma-Manitoulin and just add briefly to some of them that he has already made. I too had letters and resolutions from municipalities that have been concerned with Bill 118. The city of Orillia Water, Light and Power Commission has sent me a letter and a resolution. The village of Allensville, the town of

Penetanguishene and Coldwater village have sent me letters.

The major concern they have is with regard to the flaws in Bill 118. They indicate that this legislation is flawed. It is a blatant attempt by the Minister of Energy to exert more control over the operation of Ontario Hydro if it is passed. It would make the chairperson of Ontario Hydro the chief executive officer of the corporation and would increase the membership on the board of directors from 17 to 22.

The appointment of the Deputy Minister of Energy as a non-voting member of Ontario Hydro's board of directors would allow the Minister of Energy to issue policy directives approved by the Lieutenant Governor in Council that would be binding on the corporation. It would allow Ontario Hydro to promote switching from electricity to fuels which are more efficient. That is what the member really was making the major point about in his remarks.

It is a well-known fact that the relationship between Ontario Hydro and this government resembles the famous feud between the Hatfields and the McCoys. If Bill 118 is passed, it will mean the lights will be turned off at Ontario Hydro. It will mean that long-term planning will suffer and this province's power industry will continue to be downgraded.

The reservations about Bill 118 have been made well known in this Legislature. The letters I have received from the water, light and power commissions in my riding have been very explicit. I am glad it is going out for public debate and we will all be able to discuss it.

Mr Mammoliti: I am one for criticism. I actually enjoy getting criticized once in a while. I think it is important. I have ultimate respect for most of the members opposite, especially when they criticize. For the most part, they know what they are talking about when they are speaking.

However, I do have a concern in this particular case, because here we have a group of individuals and members of this Legislature, very well respected individuals in their constituencies I am sure, who stand up and criticize us in this particular case. I do not think they have the right to criticize us in this particular case.

They had the opportunity to address a lot of these issues. I am talking about both governments here. Both the Liberals and the Conservatives have had opportunities in the past to address the very important issues that we are addressing in this particular bill that they are criticizing, and they did not. When we talked about renovations, for instance, they let it go and they let it slide and they let it pass. Of course we have to take that on and it is going to cost the public some money, but we have enough guts to say that it is needed. If we hold it off any longer, if we take the example that other governments have shown us in the past, then it is going to cost them more in the long run.

At least we can say that we have taken it on. We have had the guts to take it on, guts that certainly have not been proven by previous governments in this particular case. I would say my colleagues: "Just leave it alone. You are making yourselves look bad."

Mr Conway: I want to congratulate my colleague the member for Algoma-Manitoulin for what I thought was a very thoughtful speech covering a number of the aspects of Bill 118 and particularly the energy policy which informs it.

I sincerely hope that people in the chamber and anyone watching listened carefully to what my honourable friend said about his own experience in rural Ontario of converting from one source of heat to another, in this case from one kind of electric heat to another. He was too modest to indicate what those capital costs were, but I know something of what the total bill was. Fortunately, he is a member of the Legislature, and as we all know, we are very well paid and job security is first rate.

But it is going to be a real issue. It is going to be a real issue for all of us who represent rural Ontario. I repeat for what has to be the 14th time, the fundamental inequity in this NDP energy policy as presented in Bill 118 is that Hydro ratepayers, irrespective of what their capacity to pay is, are going to be asked and expected to pay for regional development programs such as we have seen in Elliot Lake.

Hydro ratepayers, irrespective of their financial situation or their alternatives, are going to be asked to pay through their rates for fuel substitution, largely in urban Ontario. As my honourable friend the member for Algoma-Manitoulin has so poignantly indicated, a senior citizen living in rural Algoma is going to be stung with a regressive tax policy that any self-respecting New Democrat should be ashamed of. I cannot believe that if they know what is underlying this policy, they are prepared to endorse it.

Mr Cousens: The rhetoric that we have in this House from the opposite side which tries to rationalize the direction this government is taking is totally unacceptable, and it is a rare opportunity that I am taking to agree with the member for Algoma-Manitoulin. I happen to believe that his presentation and approach is honourable and consistent with the long-term traditions of what the utility is supposed to do.

I do not think the New Democrats have begun to understand the damage they are doing to this province and to this utility by the kind of changes they want to make in Bill 118. If there is anything the member could do when he is speaking about this, it would be to be a little bit more angry. He is too nice to them. They come along and they think he is almost being a nice guy.

I do not know how we can get them to wake up to it. The policies of this government are sick. They are wrong. They will not work. Now come on. Go along and beat them up next time. The member comes from up north; he comes down here and he is just too sweet and kind. He has got to let them know that we are not going to tolerate it. In this House we are going to scream, we are going to shout, we are going to yell, because they cannot come along and use Ontario Hydro as an instrument of their social policies. This is exactly what they are going to do, and it is wrong.

If they are going to do it, they should bring it into the Legislature, not sneak it in the back door through Ontario Hydro. They want to change the number of directors on

that board so they can fill it with more of their friends. The friends they have got that they are putting in there do not have the background that makes for a good organization. Why do they not get some people who have some experience and some background so they can bring some leadership to it instead of Marc Eliesen and some of these people?

It is wrong what this government is doing. The province is suffering with financial problems, with the economy suffering, and what this government is going to do is bury us even further under the muck of a New Democratic government that does not understand that it is destroying something that has taken years to build up.

Mr Brown: I appreciate the member for Markham's comments and I will attend his class in theatre 101 at the earliest possible convenience. I think the essence of this bill, though, is quite easy to understand. It is a bill that provides the government of Ontario a tax grab, a grab that is unfair because it hits all levels of income the same, whether you are in Renfrew, Algoma-Manitoulin or Kenora, whether you have a job like Marc Eliesen's that will pay in excess of \$400,000 a year or you are attempting to get along on the senior citizen's allowance. You are going to pay the same no matter what.

1720

The policy of this government is clear. It should be especially clear to northerners. It is a high energy price system. They are trying to drive the prices of fuel and electricity out of sight so they can get their beloved conservation, because when the economy goes down, so does the demand for hydro. We have had the best conservation in this province's history in the last year, and the reason is that our manufacturers, our mines, our pulp and paper industries and our sawmills are closing. That is why I am so upset. I have great difficulty in going to my constituents and saying, "But it's for the greater good; it's for the betterment of mankind." It is just bad public policy.

Mr Wiseman: On a point of order, Mr Speaker: The honourable member for Markham did a very dishonourable thing. He accused us of lying. That is unacceptable parliamentary language in this House. We heard it. I think he should withdraw that comment.

Mr Cousens: Mr Speaker, I had no idea he was listening. I withdraw it.

Mr Wiseman: Since the sojourn that I had with the honourable member in Washington, I listen to everything he says.

Mr Runciman: I am going to make a brief contribution to the debate. We are adhering to an agreement with the House leaders with respect to the timing of this debate.

One of the elements of this discussion that has been particularly fascinating for me—

Interjections.

Mr Runciman: Do you want to interrupt at this point, Mr Speaker?

The Deputy Speaker: Would the member for Yorkview take his seat, please. The member for Leeds-Grenville has the floor.

Mr Runciman: As I was saying, perhaps one of the most fascinating elements of this debate has been the participation of the member for Renfrew North, who has come out of a self-imposed hibernation for the last year to be very active. I think he was in something of a blue funk since the September election.

I find it interesting, to say the least, to hear the views of the member for Renfrew North, who was at one point, I believe, the deputy leader of the Liberal Party of Ontario. He talked very vehemently yesterday about a payroll tax. He has talked about Mr Ostry, the head of TVO and how we should have got rid of Mr Ostry. He has talked about taxation policy of the Liberal Party of Ontario in general, and he was in a position, I would have thought, to have won a few of these battles in cabinet. Apparently he did not win any of them, given the contributions he has made here in the last few weeks. It is passing strange, I suspect, that one would not resign after losing so many significant battles within cabinet. In any event he is here, he is participating actively, making a contribution. I am glad to hear it.

I share the points he raises with respect to rural consumers of electricity and the costs they have to assume as part of their operating costs, and the great difficulty in operating in rural Ontario now. What Ontario Hydro is doing at the direction of this government is going to exacerbate these problems, no question about that.

Mr McLean: They hired Eliesen.

Mr Runciman: My colleague points out that the Liberal government hired Mr Eliesen, and now Liberal members are being critical of his current appointment. I am not going to be critical of Mr Eliesen's appointment, because I think it is too early to reach a judgement with respect to his performance.

I want to say though that I served for a brief period of time as the Energy critic for my party and I also had the opportunity to serve on the select committee on energy, again for a brief period of time, and I was not reluctant to criticize Ontario Hydro. I think they have done a most effective job in many areas over a great many years, but I think there have been legitimate criticisms of them in the past with respect to the number of employees and with respect to wages. I think most of us can draw upon a number of summer student jobs in our areas in Ontario Hydro. They are far and away the highest-paid summer jobs for students. They are giving \$16, \$17, \$18 an hour for summer students, and I think that is reflective of the way Ontario Hydro is operating.

I have friends who have worked for the heavy-water plants operated by Ontario Hydro who worked with me in the chemical industry many years ago talking about the waste and the complete disrespect, if you will, of efforts to cut down on costs and waste within the operations of Ontario Hydro. I think that is endemic throughout the system. We are talking about a public monopoly.

The member for Chatham-Kent made some references earlier to the monopoly situation and private sector efficiencies, and perhaps he was, in his own way, endorsing the idea of privatization. In many areas of Ontario Hydro operations we can endorse privatization of the generation

side. I think the transmission side has to stay within the control of the crown, but on the generation side we can see a much greater expansion of the role of the private sector. That is essentially what I want to confine my brief comments to this afternoon.

I think we have a problem with respect to private sector generation and the problem essentially seems to lie within Ontario Hydro. I am hoping that this government, through the Minister of Energy, will play a more active role here. I think there is an effort—and this has been consistent; I saw it in my days on the select committee—of Ontario Hydro protecting its own turf. If you look at the role of the non-utility generation branch of Ontario Hydro, it is a very small branch and is undoubtedly overwhelmed with applications and expressions of interest for non-utility generating facilities. In my own riding—and I want to raise this issue today—there is a proposal for a cogeneration facility which would generate 240 megawatts. It is a pretty substantial generating facility which would utilize excess steam heat from a chemical process.

This proposal would benefit Ontario in a significant way. We are talking about approximately \$200 million initially coming into Ontario, a \$100 million capital contribution in my riding alone. We are talking about significant provincial income taxes over the life of this project in excess of \$200 million and about millions of dollars in municipal property taxes, not to mention millions of dollars in goods and services and supplies annually purchased as a result of this and the number of jobs that are going to be created—permanent, secure, skilled positions.

We are talking about what is essentially an environmentally safe option and something that I believe this government, through its crown corporation, should be actively pursuing, but we are not getting the kinds of messages and signals back from Ontario Hydro that lead us to be optimistic. What we are hearing now is that Ontario Hydro is going to limit cogeneration projects to 50 megawatts. What in effect they are doing by coming in with that kind of rule change in the middle of the game is effectively ruling out, for the most part, private sector involvement in the establishment of cogeneration facilities, because there are not the economies of scale for any private sector investor to get involved in 50-megawatt cogenerating facilities. I think we have to do more to persuade Ontario Hydro, and perhaps we have to do it through the Minister of Energy and through this Legislature, to make increased efforts to co-operate and encourage private sector generating facilities in this province.

1730

Another area I would like to see Ontario Hydro take a look at is the sale of hydro to New York state. One thing that Ontario Hydro is saying to people who want to get into cogenerating operations is, "We don't want to buy your hydro, and we won't let you sell it to the United States."

We are producing natural gas in Canada which is going into the US, where it is utilized for the generation of electricity. They are creating jobs and drawing investment into the US using our natural gas, while Ontario Hydro is telling us in Ontario that we cannot utilize it for that purpose.

It makes no sense whatsoever and is something I would not think an NDP government would be supportive of.

I may have the municipality wrong, but I think a cogenerating facility has been constructed Oswego, New York. I think it is on stream now producing significant megawatts of power for consumers in New York state using Canadian natural gas. That is wrong and offensive. If Ontario Hydro is not prepared to get involved in correcting it on its own, I think this government has to do something to ensure that it does take place.

This goes back to the question of co-operation of Ontario Hydro with private sector producers, the sharing and use of transmission facilities. We have all sorts of efforts under way to discourage the use of Ontario Hydro transmission facilities and we can indicate in eastern Ontario, in any event, where those transmission corridors are being underutilized. Private sector producers can utilize those corridors to bring them up to their maximum usage, and they can sell that clean power to New York state. Those revenue dollars come back into this province and this country. We are also creating jobs in this province and in this country and using our natural resources, not selling them off to the Americans.

These are the sorts of things where I think this government can play a very activist role, in ensuring that we create jobs and utilize these opportunities by co-operating and supporting private sector endeavours in the hydro generation field.

Mr Hope: I think it is important that I stand up and correct myself, so that the member does not misunderstand what I said. It is important that we learn to work co-operatively with private enterprise, but I firmly believe Ontario Hydro ought to stay a crown corporation. I really put a lot of emphasis behind co-operation and understanding so that we do not fall into the same trap as the federal government has under its purchase of Petro-Canada, where it is now the leader in jumping up prices of gasoline instead of the one trying to control the prices.

That is why I think it is very important that we keep it as a crown corporation, but that at the same time we have proper dialogue with other parts of this world that have developed energy efficiency in their communities and areas. He talks about being an exporter of a lot of services. That can prove beneficial to us, but one of the unfortunate parts that falls under that is selling to the United States under the free trade agreement. That has led us into very difficult situations. We almost have to give it to the Americans because of the contents of the free trade agreement on our natural resources. That is one of the disadvantages and an area that is outside our jurisdiction.

My father-in-law works for Ontario Hydro. I understand they can play an active role if we lead into a positive, open-door policy, which in the future will generate jobs in the province. That will be beneficial to all the communities in making sure we achieve the ultimate goals of lowering the price of hydro and achieving a better standard for the people of Ontario.

Mr McLean: I want to comment briefly on the member for Leeds-Grenville's presentation with regard to Bill

118. He made some excellent points in a nice, short speech that was to the point. There are some things I would like to comment on in his address and I would like to add some of my own.

It is interesting to note that a lot of the letters we have received from all the power corporations and commissions in Ontario are much the same. The one I had with regard to Bill 118 says:

It "threatens to destroy Ontario's long-cherished principle of power at cost by making electricity rates a new source of tax revenue for the provincial government.

"Under Bill 118, the provincial government would be able to issue policy directives that bypass the democratic legislative process, are binding on Ontario Hydro, and that could force Hydro to do things that are outside its current mandate: the provision of safe, reliable electricity. In addition, Bill 118 would force Ontario electricity consumers to pay for these policy directives through their rates."

They are telling me that this is unacceptable, and that is what my colleague has been talking about here this afternoon. They also refer to a section of Bill 118 that permits Ontario Hydro to subsidize fuel substitution through electrical rates. "This is unnecessary, as market forces alone are enough to encourage certain types of fuel switching."

The most important thing we found out today was that this bill is going to committee. Some people say they would rather it were fed into a wood-burning stove than into committee, but in committee at least individuals and utilities will have an opportunity to make submissions that will clearly highlight how the NDP has attempted to usurp the democratic process and downgrade Ontario Hydro's power industry.

Mr Huget: The member opposite has raised the same point a couple of times in terms of what the overall mandate and directives will be to Ontario Hydro. He continues to allude to an imaginary process that suddenly Ontario Hydro's mandate will be expanded to some other role in society, and he continuously raises the social service aspect of Ontario Hydro.

The minister has quite clearly made the statement in this House on several occasions that the mandate of Ontario Hydro will not be expanded. Any changes in anything involving Bill 118 and Ontario Hydro and its mandate are clearly to define movement within its current objectives, and that will be clarified. That point was made to the MEA. The member is aware of that. The point was made to the member and he refuses to accept it. I do not know how many times someone has to stand on the government side of the House and make it clear that we are consulting with the Municipal Electric Association and with its concerns around the mandate of Ontario Hydro and the issuing of the directives. Quite clearly the minister has said a number of times, "There will not be an expansion of mandate."

I think it is fundamental that the opposition parties in this House take it upon themselves to act and speak responsibly in terms of changes proposed to Bill 118. I do not find that it is in the interests of the public or of this House that there are continuous allusions made to an imaginary process. We must deal with the facts and with

constructive debate on Bill 118 and nothing more. We look forward to full debate on this issue. The changes to Bill 118 are necessary.

Mr Sola: In retort to the last comment, I want to refer to Hansard. They are saying the minister has made statements in the House refuting the allegations the honourable member made in his speech. For example, on October 1, in response to a question raised by my seatmate, the member for Ottawa South, the minister said, "The intention of the bill is to direct Hydro in order to fulfil the mandate of the government of the day," not the mandate of Hydro but the mandate of the government of the day.

Later on, in response to a second question from the member for Ottawa South, the Minister of Energy said, "The goal and objective of Hydro is to provide power at reasonable prices." Reasonable prices and power at cost are certainly not the same thing. He may have stated something else later or prior to these statements, but these statements are still on the record. Therefore, you cannot judge the intentions of the honourable member by referring to something that is in Hansard, that was in response to questions particularly relating to the mandate and the intent and the social program of this government.

As far as imaginary allegations are concerned, I would like to point out that Elliot Lake is not an imaginary place; neither is Kapuskasing. They did not use social policy, government policy, to bail out those two communities; they used Ontario Hydro. It is up to the government to bail out those areas, but it is not up to Hydro.

1740

Mr Runciman: That is a good point, because one of the members opposite mentioned hydro bills starting to reflect real costs. That belies the fact that of course we are utilizing Hydro dollars in those two northern communities. They are certainly not real hydro costs. That is an effort to bamboozle the public with respect to the Ontario government debt. There is no question about that.

I regret that the member for Chatham-Kent had to get up and say he does not believe in privatization. That is indeed regrettable, but coming from a socialist, that is not surprising. He talks about keeping costs down, but I do not think that is going to be the case.

We have an article from one of the Toronto papers this weekend, with Larry Solomon of Energy Probe quoted as saying that "it won't be long before Ontarians are paying more for their power than any other jurisdiction in North America." The article goes on to say that Charlie Macaluso, a spokesperson for the Municipal Electric Association, believes that "as long as Ontario Hydro remains a public monopoly, with a \$30-billion debt, it will continue to bleed taxpayers with exorbitant rate hikes." He is quoted as saying, "I don't see how we're going to get away from double-digit rate hikes unless we can eliminate the debt and government interference."

Getting back to Larry Solomon of Energy Probe, he says that anti-monopoly legislation has worked well. "It has lowered the price of power and has actually created gluts of power.... Privatize Ontario Hydro and we'll start to

see our prices come down again." I do not think there is any doubt that this is indeed the case.

I made reference to natural gas, and they throw back free trade. Ontario Hydro has it within its power to ensure that we are utilizing Canadian natural gas in the generation of power in this province and not sending it off to the south. They have the power to do that. They should not blame it on the free trade agreement.

Mr Duignan: It is with great pleasure and delight that I rise in my place today. It is my first occasion to speak on behalf of my riding of Halton North. I understand that when one does that, it is the tradition of this House that one talks a little about one's riding and the people in it.

This gives me great pleasure, because I represent many people in my riding who have never had NDP representation before and who are more than honoured and delighted to have that representation because they now have an effective voice in the corridors of power, a person who listens to the people.

With respect to my riding, it lies west of Toronto and north of Oakville and Burlington, and is comprised of all the Halton region north of Derry Road. Halton North is what I like to term the heartland of Ontario, and that is basically what my riding is made up of. It is composed of many small urban clusters such as Campbellville, Brookville, Limehouse, Glen Williams, Norval and Hornby. It also has a number of significant urban centres such as Georgetown, Acton and Milton.

I mentioned the municipality of Milton last because I want to pay tribute to the former member from Milton, Walt Elliot, who sat as a member of this House from 1987 to 1990. He worked hard on behalf of the residents of Halton North, particularly in the work he did regarding the Niagara Escarpment, which accounts for about 30% of my riding. I would like to pay particular tribute to the work he has done in that regard.

I would also like to pay tribute to many members and former candidates of my own party who have laboured long and hard in the riding of Halton North to elect a New Democratic member, which they succeeded in doing in the last election, in particular Stan Allen, Fern Wolfe, John and Bernice Nichols and Bill Johnson, who has been a regional councillor for the last number of years and who finally is retiring.

I will now address the question at hand, that of Bill 118. It gives me great pleasure to take this opportunity to speak to that particular bill.

I believe the amended Power Corporation Act will enable Ontario Hydro and the government to work together in a more effective manner to deal with the economic, environmental and social wellbeing of this province. I believe the amendments to the Power Corporation Act will make Ontario Hydro more open and more accountable to the taxpayers of Ontario, which the previous government, when it had the opportunity, failed to do.

Bill 118 will give the government power to provide Ontario Hydro with policy direction not only because the taxpayers of this province demand it but because there is a need for increased Hydro accountability and a greater response by Ontario Hydro to public concerns and needs. It

is our goal not so much to increase control but to make Hydro more responsive to public priorities and government policies.

What we are doing is really nothing new. Previous governments often provided informal policy direction in closed sessions with Ontario Hydro senior management. These directions often had hidden costs unknown to the people of this province.

What we have done is to simplify the process and make Ontario Hydro more accountable to the taxpayers of this province. We want to get away from the old practices of the previous governments. I believe Bill 118 will clarify the government's responsibility for setting the province's policy direction and the expectation that Hydro will carry out that policy.

The act also requires the government to consult with the Hydro board on the content and effect of policy directives. In this respect, the board's important role and responsibilities in ensuring the needs of the taxpayers are met in the best possible way. This will allow Hydro to move in new directions and to give greater emphasis to energy efficiency.

Under Bill 118 we will also expand the board from 17 to 22 people, giving greater access and wider representation of public interests on this board.

Some will say that we are stacking the board of Ontario Hydro. That is not the case. What we are doing is widening the representation of public interest on the Hydro board. Our government will be making appointments that are not affiliated with our party or indeed any political party in this province. That is our philosophy and that is our policy.

On the question of the salary for the chairman of Ontario Hydro, it is worth noting that the proposed salary level is considerably less than that of the previous chairman and chief executive officer, who started somewhere in excess of \$500,000.

The proposed salary is also 25% less than the average salary of the chief executive officers of corporations with annual revenues in excess of \$400 million. That is based on a survey of 150 public and private corporations in Canada. Ontario Hydro, with annual sales in excess of \$8 billion and assets of over \$40 billion, is much larger than most of these corporations. Also, a review of executive compensation at Ontario Hydro will be conducted by the Ontario Energy Board as part of the reference letter for the next rate review hearings. The OEB provides oversight of such matters for all major utilities in Ontario.

On the question of fuel substitution, when the government announced its restriction on electric heating in new social housing, it did so because natural gas instead of electricity for residential space and water heating is a much more appropriate use of energy. It is more cost-effective and will result in lower energy bills for those consumers.

The ministry also estimated that by enabling Hydro to encourage the conversion of electric heat in the residential market, electricity demand will be reduced by perhaps 700 megawatts by the year 2000. In addition to lowering heating costs for customers and increased environmental

protection, fuel substitution will defer the need for large central generating facilities, thereby ensuring enormous savings for Ontario Hydro.

1750

It is our government's intention, as stated by the former minister when she introduced the proposed amendments, that Hydro should be able to promote fuel substitution where it is most cost-effective and where the market will not make it happen otherwise. In some cases simple education and information may be all that is needed to encourage fuel switching. On occasion, some form of incentive may be required. Where this is necessary, Ontario Hydro programs will be designed in a way that ensures it will be cost-effective and benefit the consumers.

On the question raised by some members in this House on the recent hydro rate increase, it is worth reminding the taxpayers of this province that it was the past decisions and mistakes of the Liberal and Tory governments such as the Darlington nuclear plant that have come home to roost, and those bills must now be paid.

It is worth noting that Darlington alone accounts for over one quarter of the increase this year and customers will face additional increases when the rest of Darlington is brought into service. Moreover, they will be paying for the \$13-billion cost of Darlington over the next 40 years, a mistake of previous governments.

Any less of an increase would result in a very high and unacceptable withdrawal of Hydro's reserve funds. As members are aware, some \$600 million has been withdrawn from the reserve fund in previous years. This is a situation that this government intends to avoid in the future.

The responsibility for rate decisions rests with the Hydro board of directors. I am confident that the board has taken into account all information at its disposal, including the Ontario Energy Board's recommendations, the state of the economy and the impact of the increases on customers. The necessary rate increases underscore the importance of the government's new energy directions, increased energy efficiency and conservation.

Our government will continue to encourage Hydro to launch new cost-effective energy management initiatives which will help to contain increases in customers' bills.

In conclusion, I want to remind members and the Ontario taxpayers of Ontario Hydro's huge debt, some \$34 billion. It is due largely to the decisions of previous governments that built Darlington and other nuclear stations.

This government has declared a nuclear moratorium and has stated its commitment to conservation, increased energy efficiency and parallel generation. I believe these new energy directions contained in Bill 118 will postpone the need for a new large-scale generating facility and will make Ontario more accountable to the taxpayers of this province, which the people of this province have demanded for so many years and which previous governments ignored.

Mr Ruprecht: I must tell the members that I enjoyed the introduction the member for Halton North made to Bill 118, especially when he says Halton North has never had

an NDP member in the Legislature before. I simply want to say to him he should enjoy his time here.

Mr Mills: What is that supposed to mean?

Mr Ruprecht: It simply means he should read into that statement whatever he wants to.

One important point was raised by the member for Halton North when he talked about the hidden costs associated with producing hydroelectric power. That is an important aspect, to talk about the hidden costs. The question I would like to raise is, what are these hidden costs for the taxpayers of Ontario?

The member for Halton North will know what the hidden costs are for the seniors of Ontario, who at one time I remember, Mr Speaker, and you will too, listened to the propaganda from Hydro saying hydro rates would be the cheapest form of energy in terms of the efficiency of heating one's home. Hydro said, "Please, everybody rip out your oil pipes and switch back to electrically heated homes." Many of my neighbours did, and I am sure the member for Halton North knows that many of his residents did the same thing.

The consequence of this kind of a promise will be horrendous. When we talk about increases of 15.5% this year and 44%—and I would guess with the GST and the additional taxes even over 50%—in three years, I would guess that many of the seniors who did switch to electrically heated homes will have to sell their houses because they are unable to make payments.

Mr Bisson: It is with pleasure that I rise to comment on some of the issues and facts mentioned by my colleague the member for Halton North. I think part of the debate being lost here—and I think the member made a good point—is that many of the things we are seeing now in regard to the increases through Ontario Hydro are because of some of the decisions made in the past.

Nobody knew, back in the 1960s and further, that the investment in nuclear energy would come to the price it does in the 1990s. The reality is that there were some decisions made back then to invest heavily on the part of Ontario Hydro, to go more towards generating electricity through nuclear power. We are now finding out, some 20 and 30 years later, that the cost has been quite astronomical.

What is also interesting, when you go through all that has happened with the nuclear generation in Ontario, is that the nuclear generation of the Candu reactors is a very good, safe technology, probably one of the best and most advanced in the world, but they are not running as efficiently as they should. That is adding dramatically to the cost of electricity within the province for consumers of Ontario Hydro. In fact, the numbers are running somewhere in the neighbourhood of half this increase we are seeing today of 11%, because of the efficiency and the costs we are having to pay today.

I would also like to make a comment. One of the members from the Conservative Party said earlier that maybe we would be better off putting Ontario Hydro into the private sector. God knows, I am not at all interested in that. I have seen that happen in the airline sector, and all I know is that some two years after deregulation of the airline

industry into private hands, we are now paying twice as much for airline tickets. We are getting half as much service and a lot more inconvenience in the airports of this country and unable to get the service that used to be provided by a crown corporation called Air Canada at the time it was owned by the taxpayers and was providing very good service. To that idea I say no. As a New Democratic member I stand firmly opposed to that idea.

Mr Brown: I enjoyed the comments of the member for Halton North. I have some comments. We seem to be in a debate about nuclear power, fossil fuel, whether we could have more hydroelectric and whether we should have cogeneration and how much electricity we need and all that good stuff. We are talking about all those things when, as members will know, there is an environmental assessment being conducted right now. It is on Hydro's 25-year plan.

I have some concerns about the way that process has begun, because what has happened in this province is that the government has unilaterally made some decisions about what projects are in, what projects are out, what we should consider and what we should not. They have decided, for example, to spend an additional \$240 million on conservation. The Ontario Energy Board has said Hydro is not spending that efficiently. Hydro cannot spend that and get value for the dollars it is spending. We are spending money that is not giving us the result. Members should not take my word for it, but ask the Ontario Energy Board. That is what it said.

Rather than debate need—because the environmental assessment is looking at need—why do we not ask the government to keep the integrity of the plan in place, present it to the environmental panel without a lot of ideological, political views and let the environmental assessment panel make those decisions? But that is not what we are seeing, and we think Bill 118 is going to cause more problems than all the rest combined.

The government stands there and says that it was the problem of governments before it for over 60 or 70 years. I do not think the people of Ontario are going to buy that.

Mr Huget: I would like to congratulate the member for Halton North on his first opportunity to speak in the House. I listened with interest to his comments.

I would remind everyone that I think it is worth saying that no one likes to see rate increases on anything today, but the roughly 11.8% increase that has been suggested is due largely to the costs of Darlington and some of the decisions made in electrical generation policy in Ontario over the last decade or two.

I remind members as well that even with the proposed increase, Ontario Hydro's rates are still approximately 24% or 25% lower than in most jurisdictions in North America. The argument that rates will make us non-competitive compared to the United States, for example, simply does not hold water. In fact, if I were a business in Ontario looking for reasonably priced energy, I would stay in Ontario because it is less expensive in Ontario than it is in most of the United States.

There are other factors that are leading to rate increases and that will continue to lead to rate increases, not the least of which is Darlington. We will need to pay the \$13.5-billion Darlington costs over the next 40 years. We have problems with the transmission system. Major work has to be done to keep its integrity. There are a number of factors that lead to rate increases. Especially if we look at the nuclear moratorium—the member from the opposition has raised that issue a couple of times this afternoon—I frankly do not see the economic logic of expanding facilities that currently run at less than 70% of capacity. That is not good business.

The Deputy Speaker: The member for Halton North, you have two minutes to reply.

Mr Duignan: I noted with interest that my colleague the member for Parkdale made a reference to the fact that I should enjoy my term here because it will be the only one.

Mr Ruprecht: On a point of order, Mr Speaker: I appreciate the time you are giving me. I just want to make sure the member understood me correctly. I did not say he should enjoy his time here because this will be his last term. I simply indicated that he should enjoy his time here.

The Deputy Speaker: Thank you. That was not a point of order.

Mr Duignan: I am glad the member for Parkdale clarified that for me. I intend to be here for many terms because I intend to serve the people of my riding.

Very simply, the people of this province have demanded time and time again and over and over again that Ontario Hydro has to be more accountable to the taxpayers and government of this province. I firmly believe our government and the Ministry of Energy will do that. Our government is prepared to act to make sure that happens. I am looking forward to the amendments to the Power Corporation Act, which will simply return Hydro to the taxpayers of this province and to the people of this province.

The House adjourned at 1803.

ERRATUM

No.	Page	Column	Line	Should read:
68	[v]	1	12	Health insurance 2896 Mr Jackson

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CONTENTS

Wednesday 16 October 1991

Members' statements

Closing of tree nurseries	2929
Mr Miclash	
Caledon Information and Community Services	2929
Mr Tilson	
Chemical spill	2929
Mrs Mathysen	
Hunting and fishing in Algonquin Park	2929
Mr McClelland	
Areas of natural and scientific interest	2930
Mr B. Murdoch	
Co-op Week	2930
Mr Martin	
Landfill site	2930
Mr Offer	
Health services	2931
Mr McLean	
Municipal elections	2931
Mr Christopherson	

Royal assent

His Honour the Lieutenant Governor	2931
--	------

Statements by the ministry

Atikokan assistance	2931
Miss Martel	

Responses

Atikokan assistance	2932
Mr Brown	
Mr Eves	
Mr McLean	

Oral questions

Investigation into release of documents	2933
Mr Elston	
Mr Laughren	
Salary of Ontario Hydro chairman	2934
Mr Elston	
Mr Ferguson	
Mr Harris	
Mr Rae	
Assistance to farmers	2936
Mr Harris	
Mr Rae	
Salary of Ontario Hydro chairman	2937
Mr Conway	
Mr Rae	
Hazardous waste	2938
Mr Cousens	
Mrs Grier	

CAT scanner	2939
Ms Haeck	
Ms Lankin	
Salary of Ontario Hydro chairman	2939
Mr Elston	
Mr Rae	
Trucking industry	2939
Mr Turnbull	
Mr Laughren	
Community information centres	2940
Mrs MacKinnon	
Mrs Haslam	
Salary of Ontario Hydro chairman	2940
Mr Elston	
Mr Ferguson	
Eastern Ontario Vegetable Growers' Co-operative	2941
Mr Villeneuve	
Mr Laughren	

Petitions

Tobacco taxes	2941
Mr Carr	
Oath of allegiance	2941
Mr J. Wilson	

Reports by committees

Standing committee on regulations and private bills	2942
Mr White	
Agreed to	2942
Standing committee on government agencies	2942
Mr Runciman	
Deemed adopted	2942

First readings

Elevating Devices Amendment Act, 1991, Bill 118	2942
Mr Ruprecht	
Agreed to	2942

Second readings

Power Corporation Amendment Act, 1991, Bill 118	2942
Mr J. Wilson	2942
Mr Huget	2946
Mr Ruprecht	2946
Mr Johnson	2946
Mr Conway	2946
Mr Wiseman	2947
Mr Hope	2950
Mr White	2950
Mr Brown	2951
Mr McLean	2956
Mr Mammoliti	2957
Mr Cousens	2957
Mr Runciman	2958

Power Corporation Amendment Act, 1991 (continued)	Erratum	2963
Mr Huget		2960
Mr Sola		2960
Mr Duignan	Lists of members	2961
Mr Bisson	Members and their responsibilities	2962
Adjourned	Committees of the Legislative Assembly	2963

TABLE DES MATIÈRES

Le mercredi 16 octobre 1991

Sanction royale	Deuxième lecture
Son Honneur le lieutenant-gouverneur	Loi de 1991 modifiant la Loi sur la Société de l'électricité,
	projet de loi 118
Première lecture	2942
Loi de 1991 modifiant la Loi sur les ascenseurs et appareils	Débat ajourné
de levage, projet de loi 139	2963
M. Ruprecht	Listes des députés
Adoptée	Les députés et leurs responsabilités
2942	Comités de l'Assemblée législative



70 1991

70 1991

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First Session, 35th Parliament

Official Report of Debates (Hansard)

Thursday 18 October 1991

Assemblée législative de l'Ontario

Première session, 35^e législature

Journal des débats (Hansard)

Le jeudi 18 octobre 1991



Speaker
Honourable David Warner

Clerk
Claude L. DesRosiers

Président
L'honorable David Warner

Greffier
Claude L. DesRosiers



Table of Contents

Table of Contents for proceedings reported in this issue appears at the back, together with an alphabetical list of members of the Legislative Assembly of Ontario.

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Table des matières

La table des matières des séances rapportées dans ce numéro se trouve à l'arrière de ce fascicule, ainsi qu'une liste alphabétique de députés de l'Assemblée législative de l'Ontario.

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LEGISLATIVE ASSEMBLY OF ONTARIO

Thursday 17 October 1991

The House met at 1003.

Prayers.

ORDERS OF THE DAY

PRIVATE MEMBERS' PUBLIC BUSINESS

COMPENSATION FOR VACCINE-RELATED INJURY

Mr Frankford moved resolution 27:

That, in the opinion of this House, the government of Ontario should begin consultation with the public and with health professionals, pharmaceutical manufacturers and health-related organizations regarding the implementation of a compensation scheme for vaccine-related injury.

Mr Frankford: I am very pleased to be able to bring in this resolution, which relates to my personal background as a physician, but I would also like to note the extensive help I have had from legislative research which has given me a very good background on some points I would like to make. I would like to point out that it is a resolution, not a bill, so I trust it will stimulate debate. I hope it will be acceptable to members on all sides of this House.

I would like to start off by noting about vaccination that I think we should realize there are strong public health reasons for vaccination programs. Sometimes people tend to forget that we are dealing with childhood diseases, but these are not just childhood diseases I am talking about; they can relate to other vaccines that are given in adult life. We should remember that there is mortality from what are sometimes thought to be somewhat trivial diseases such as measles.

I would like to read an extract from a Canadian Paediatric Society paper in support of a compensation plan for vaccine-associated injuries. It states: "In the 1980s, Canada's childhood immunization programs have been so successful that the target illnesses are seen infrequently, some not at all. Lacking visible reminders of the dangers of these illnesses, parents today are less certain of the benefits of immunization than were parents one or two decades ago and are more concerned about the safety of vaccines being offered to their children. The vaccines used routinely in Canada are much safer than the diseases they prevent but they are not perfect. Given that vaccines must contain the key portions of bacteria or viruses necessary to induce protective immunity, perfectly safe vaccines may not be attainable."

It is, as I say, an important public policy aspect to have this widespread immunity, and in fact it is close to being a requirement. As the members may know, there are requirements for vaccination around school entry. They are not absolute requirements, but they have considerable force behind them. There are a number of vaccines—I mention measles, diphtheria, tetanus—which are close to being absolute requirements. I say "close to being" because parents do have the option of a philosophical exemption. They can

have a written statement saying they object and this does need to be notarized.

Although it is close to being mandatory, it is not absolutely mandatory. It is recognized as one of the philosophical concerns of this Legislature that we did not want to force people to get into things, but I think public health physicians would stress to the members how important it is to maintain widespread immunity. We have recently seen in the United States that there has been some resurgence of measles because of inadequate immunity, and this is a real threat.

Having established that it is close to being public policy and having established that there are risks and inevitably some damage, some injuries associated with it, we get into what happens in the case of injury. I would like to stress it is not my purpose to go into detailed discussions of any particular vaccines. I am not trying to make a case for damage from one vaccine or another. I know there have been some rather tragic cases and some law suits.

Part of the reason for bringing this in is that the present situation does require demonstration of tort, and unfortunately in some of those cases which have gone to court no tort could be demonstrated. No negligence was found on the part of the physicians or the manufacturers, so the unfortunate thing in those cases was that no liability was demonstrated, and the injured parties presumably had to pay quite high legal costs and the physicians and the manufacturers had the stress of going to court.

This is why I am proposing that we bring in some alternative scheme. I have not used the term "no-fault" in my resolution, but I think essentially what we are asking for is a no-fault scheme

1010

I might at this point, just to make it more real, mention one case. In my professional career I have not really come across any, but I have this one personal connection. A relative of mine, a young man, joined the British army around 1939 and had not previously been vaccinated against smallpox. He had a profound reaction which has left him permanently disabled with very profound muscle weakness, although this has not affected his mental state and he has followed quite a successful career. But with this profound muscle weakness he has had to have lifetime attendants and he has had to have a modified car. Now in this case, because it was service-related, it was essentially a no-fault scheme. There is a pension and there has been assistance with activities of day-to-day living. This is an example of what can happen in some circumstances.

Essentially I am asking that some scheme be developed that would do something similar. I am not necessarily saying that we are talking about just a financial compensation scheme. This comes around to the question of comprehensive disability plans which I know have been discussed in this House and which I know have been looked at by the

government. I was on the parliamentary assistants' committee that was discussing this topic.

What I am proposing certainly does not rule out developing a comprehensive disability plan, which I hope will come. Partly I bring this resolution forth because I think that in its small way it could help to plan what the approach of a comprehensive disability plan would be. It is a group of disabled people which, as I said, results essentially as a side-effect of public policy. There is a strong obligation for the government or for society to bring in some compensation, because the society in a sense has demanded that they get this vaccination.

In closing, I would like to point out that there are precedents in other jurisdictions. I note there is one in the United States and there is one in Quebec which did in fact result from a legal case around a measles vaccination. In that case the court did find that it was a side-effect of this measles vaccination without any negligence being demonstrated. My understanding is that because of this they felt there should be some sort of no-fault compensation, so they have implemented such a scheme already.

Mrs Caplan: I am pleased to rise in support of the resolution that has been presented today by the member for Scarborough East. I am calling from memory on some of the experiences and discussions around this and a much broader issue, the issue relating to the kinds of injuries that are avoidable that occur within the health system generally.

There has been quite a lot of debate and discussion generated which unfortunately we have not seen presented in this House for any discussion. I welcome the resolution because it gives us an opportunity to talk about what is existing today and what we can do in the future.

I think this issue goes far beyond the simple resolution that has been presented by the member for Scarborough East. He has referred strictly to compensation for vaccine injury. Those cases have been tested through the courts and they have pointed out that in this province, in fact in this country, unless you can prove negligence by the provider, the professional, the institution or the manufacturer, there is no compensation available for the individual, the patient, the consumer who has sustained injury.

I draw to the members' attention that this is the case whether it is vaccine injury, injury as a result of blood products or injury as a result of iatrogenesis. That is a term I became familiar with and I think it is an important term for all members of this House to be aware of. I have a dictionary and I will read the definition. "Iatrogenic: caused by process of medical examination or treatment." Simply put, iatrogenic disease is an illness or a disease which is caused by accessing medical treatment.

Much of iatrogenesis or iatrogenic disease is inadvertent. It is because many procedures carry with them a significant risk of harm. Right now in the standing committee on social development we are dealing with a package of legislation where the concept of licensing the risky and dangerous acts professionals such as doctors, nurses, physiotherapists, chiropractors and others do to people is then developed within the concept of risk of harm.

I refer to the beginning of this debate and would like to point out to members of this House that the now president

of the University of Toronto, Dr Robert Prichard, headed a federal-provincial task force that dealt with many of these important issues. I would recommend to all members of this House to read his report, which is entitled *Liability and Compensation in Health Care*, and I express my disappointment at this time that there has been no action taken by the government in addressing the recommendations of this important report.

The report suggests that there is a problem. We are seeing an increasing number of malpractice and liability suits against doctors, institutions and manufacturers, whether they are pharmaceutical or whether it is in the area of vaccine or other areas. We have seen larger and larger awards. Particularly as inflation has been going in the western world in the last decade, we have seen large awards by the courts.

We have therefore seen an increased cost of liability insurance for providers and professionals and the hospitals, and we have also seen the response from the professionals, which is often defensive medicine. That has had enormous costs in the health system because the providers, wanting to make sure they are providing quality care and doing everything they can, often do many things that are considered unnecessary, wasteful or inappropriate. That is really the call for quality assurance programs, for the development of programs in total quality management, in continuous quality improvement programs, sometimes referred to as CQI.

1020

These are the things that are necessary to start addressing the level of inappropriate care generally within the health system. I use the term "inappropriate," because we are not talking about negligence and we are not talking about malpractice. We are talking about that which just may not be necessary. I notice the member for Scarborough East nodding his head. We understand that.

At the Conference on Quality Assurance hosted by the Ontario Ministry of Health in November 1989 in Metropolitan Toronto, we heard very clearly that the level of inappropriate care taking place in the health system generally was about 20%; that is, of everything we did in the health system, 20% was considered inappropriate.

That does not mean it was not good quality if you happened to have a caesarean section you did not need. That does not mean the tonsillectomy you had was not perfectly and competently performed, except that it may not have been necessary. That does not mean that the service given was not high-quality service, but it was inappropriate because it was unnecessary or did not meet the standard of appropriate care.

Those standards have been and are being defined by medical practitioners around the world for the first time as part of quality assurance, total quality management, continuous improvement programs around the world. The notion of systemic quality assurance in health care is relatively new. We are just beginning to see that take place, so this discussion of a compensation scheme is extremely important.

The reason it is important is because of the changes that are occurring. We know that within the existing system

there is inadequate compensation for persons suffering from avoidable injuries in the health system, whether they are related to vaccine, drugs, devices, drugs like thalidomide or blood product selection, the kinds of avoidable injuries that come from iatrogenesis, as I mentioned before.

How do we as a society respond to that? I think the resolution the member has brought forward is the beginning of an important debate in this Legislature, but I do not think it should be defined just in the area of vaccine. I believe Dr Prichard's recommendation should be taken very seriously by legislators, not only in Ontario but right across this country.

He calls for the development—not institutionalizing it today—of a system which would still allow for litigation where there was malpractice. However, he is talking about the development of a no-fault compensation scheme for those people who are inadvertently injured. He points out in his report that the present system is costing about \$200 million. That is a lot of money, but that \$200 million is only compensating 10% of the actual claims.

Approximately 250 claims are being compensated in Canada today out of an estimated 2,500 deserving claims. Of those, the ones that are being compensated, where you are talking about proven negligence or malpractice against providers or hospitals, in areas such as vaccine there is no compensation at all. The courts have said that unless you can prove negligence or malpractice, there is no entitlement.

The recommendations that are made in this report are extremely significant, in light of the fact that people who we believe should be compensated are not being compensated. The report makes some 79 recommendations, but there are three very significant ones. First, they suggest maintaining tort action for malpractice and negligence against health care providers. Second, they recommend increased responsibility of health care institutions, hospitals and others, for the quality of care provided in them. That is what continuous improvement is about, that is what quality assurance is about and that is what total quality management is about, utilization management and others.

Third, they recommend developing a no-fault compensation system alternative for avoidable health care injuries which have caused personal injuries to individuals. If this recommendation was pursued by the present government, I think it would result in achieving the goals the member for Scarborough East has suggested to us today in the discussion on vaccine compensation. But I suggest to him that the discussion goes far beyond that. There are many people in Ontario today who are not being cared for and compensated except through a very involved court system, when the injury they sustained was inadvertent and the result of lack of standards, lack of the kind of ongoing quality assurance consistency that would lower the rate of those kinds of inadvertent illnesses.

As I speak in support of the resolution, I would also like to speak in support of the recommendations that came out of Dr Prichard's report. I also urge the member to note that within his own government the responses have been very inconsistent. For example, I am aware of the response to the Canadian Hemophilia Society. The federal government announced a compensation program for those with

haemophilia who contracted the HIV virus. This was because of the federal government's responsibility for blood supply in this country. There have been some tragic consequences as a result. We are all aware of that.

When this was announced, I know that the provincial Health ministers right across this country indicated a desire to work with the federal government to make sure that proper support was given to those people right across this country. I was disappointed that the response from the federal minister at the time was not more positive in entering into a partnership relationship with all the provinces to develop a truly national program, as opposed to just a federal program.

However, I say today that Dr Prichard noted in his report that the cost of a system for no-fault compensation, such as this suggested by the member, would be far greater than \$200 million a year if we included vaccine, blood products, devices and so forth. This report recommends taking the first steps to getting on and doing it. This report says Ontario should not act alone, because this is a national program.

We are also proud of our medicare and the fact that we share principles with every other province in this country. We know of the numbers of cases of individuals who have suffered from reactions to vaccine. Those statistics are clear.

I would say that right now I very much support the nature of mandatory vaccine, because it is in the public health interest. But the unavoidable individual cases of those who are inadvertently damaged in the interests of public health should be responded to in a compassionate and caring way, and the existing system that is in place today does not allow for that.

It is not just in the case of vaccine. I think very specifically of the drug DES. I think of the devices, intrauterine devices and others, which have been permitted to be used and which are now shown to have caused damage. I think of iatrogenic disease, where people are inadvertently harmed in the health system and face no opportunity for compensation because they cannot prove negligence.

I believe this is an important debate and discussion about making sure the people of this province have access to the kind of compensation they deserve. I also think it would be good for the providers. It would lower their tension and their resistance. One of the things Dr Prichard noted was that doctors particularly are under tremendous stress. That is one of the reasons for defensive medicine. Overall, there is tremendous opportunity in support of this discussion, and I am pleased the member has brought it to the Legislature.

Mr McLean: I appreciate this opportunity to say a few words about this resolution of the member for Scarborough East. I was going to say Simcoe East, but that is me. However, I am supporting the resolution so it could be one of mine.

I want to read the resolution into the record. "That, in the opinion of this House, the government of Ontario should begin consultation with the public and with health professionals, pharmaceutical manufacturers and health-related organizations regarding the implementation of a compensation scheme for vaccine-related injury."

1030

I support this resolution in principle because I believe there is a clear need for some form of compensation system for vaccine-related injuries. We all know that proper immunization of schoolchildren is the law in Ontario and is part of the Immunization of School Pupils Act, 1982.

The Ontario Ministry of Health administers a universal school immunization program to ensure that both children and the public are protected against six serious diseases: diphtheria, tetanus, polio, measles, mumps and rubella. Making sure that children are properly immunized has become a back-to-school ritual, much like shopping for new school clothing, packing nutritious lunches and telling kids how to behave at school.

Even when the best vaccine products are properly administered and used, they can pose minute risks to those who receive them. It should be noted that the medical community has historically had a great deal of difficulty identifying vaccine-related problems because neurological conditions are often vague and not well understood. Because of the uncertainty that surrounds neurological disorders, it is quite possible that children who are born with certain types of conditions may have their conditions attributed to vaccines when in fact they are not vaccine-related. I believe it would be irresponsible to establish a vaccine compensation fund that would be a funnel for inappropriate claims.

Having said that, it is time to recognize that the few who suffer inevitable serious vaccine-related injury deserve compensation from the many who remain free of disease as a consequence of the high vaccination levels. I believe a provincial compensation program is feasible. I also believe social conscience demands its enactment.

To me, the most attractive solution involves the establishment of a compensation system with an administrative rather than a judicial base. This would offer dependable, cost-effective, rapid and equitable compensation for unavoidable serious injuries resulting from mandated vaccines. It should reduce frivolous lawsuits, yet provide compensation for all true victims.

At the same time as we are considering implementing a compensation system for vaccine-related injury, the Minister of Health must look into the need for and mechanisms and scope of such a program. This must be undertaken before the government can have any meaningful consultation with the public, health professionals, pharmaceutical manufacturers and health-related organizations. It should be noted that the Ontario Medical Association recommended this several years ago.

In conclusion, I support this resolution in principle, but the boundaries must be defined before we can begin implementing a compensation scheme for vaccine-related injury.

Mr Winner: I am pleased to speak in support of the resolution of the member for Scarborough East calling for consultation on the implementation of a compensation scheme for vaccine-related injury.

Where public health policy so strongly dictates in favour of vaccination as a requirement for school entry, compensation should flow when injury occurs. Forcing the

families of victims to sue for negligence adds insult to injury. Often the measure of success is based upon the financial resources of the afflicted party, the ability and resourcefulness of legal counsel, the availability and quality of the evidence, the credibility of the witnesses, and finally and perhaps most important, the predilections of the judge hearing the case.

The insurance companies that underwrite the risk for the manufacturers of these drugs and the physicians who prescribe them are the same insurance companies that hire the high-priced legal counsel to defend their clients in court. They are likely to have infinitely greater resources to ensure success in the judicial arena than do the victims' families.

A causal relationship between the use of pertussis vaccine and brain damage has never been definitively established. There are convincing proponents on either side of this vexed issue. The issue in fact was highlighted in the Rothwell case decided here in Ontario, in which a three-month-old child began to receive immunization doses of pertussis vaccine and after the third dose was found to have severe brain damage, rendering the child blind, almost deaf and severely retarded both mentally and physically, requiring constant care.

Notwithstanding that the trial judge found there was no causality between the injections of pertussis vaccine and the ensuing brain damage, Mr Justice Osler, who heard that case at the trial level, stated that had there been a slight difference in the evidence, had there been further scientific advances or a different trial judge, a very different result might have occurred.

Mr Justice Osler went on to suggest that in view of the compensation schemes that have already been enacted in the United Kingdom and the United States, Ontario provide an adequate but not lavish compensation scheme for cases where the victim of a vaccination has enjoyed prior good health, where the vaccine has been administered under public mandate and where catastrophic damage occurs within a limited period of time.

In fact, Mr Justice Osler went on to quote his brother judge, Mr Justice Krever, in another Ontario case involving the Hamilton Civic Hospitals. Mr Justice Krever said: "I confess to a feeling of discomfort over a state of affairs in an enlightened and compassionate society in which a patient who undergoes a necessary procedure and who cannot afford to bear the entire loss through no fault of his, and reposing full confidence in our system of medical care, suffers catastrophic disability, yet is not entitled to be compensated because of the absence of fault on the part of those involved in his care. While it may be that there is no remedy for this unfortunate and brave plaintiff and that this shortcoming should not be corrected judicially, there is, in my view, an urgent need for correction."

In a similar case in Quebec, the Lapierre case, which was appealed to the Supreme Court of Canada, Mr Justice Chouinard, writing for the majority, acknowledged that special legislation for vaccine victims in France, Britain, Japan, Germany and Denmark provides for compensation regardless of fault and is directed more to the needs of the vaccine victim than to delicate issues of evidence and

liability and damages. In that case, Mr Justice Chouinard, speaking for the Supreme Court of Canada, suggested that the obligation to compensate victims independent of fault would be, to use his words, "a wonderful thing."

This case led to a plan in Quebec that compensates victims of permanent physical and mental damage arising from immunization. In Ontario this step would be a logical extension of numerous developments in social welfare that furnish compensation to injured people on a no-fault basis. It would replace or supplement areas of the tort system which imperfectly provide reparation. It would be akin to the workers' compensation system, which operates independently of fault, compensation for victims of crime and the no-fault provisions of auto insurance. There are many precedents for the kind of scheme that the member for Scarborough East is suggesting consultation begin on in earnest.

1040

In Canada, governments have responded to the needs of specially affected citizens whose health has suffered as a result of national or provincial health policies and programs. One example that may immediately come to mind is the federal government grants that were instituted to remove urea formaldehyde foam insulation when it was felt UFFI posed a health risk to those who lived in homes that had been insulated.

Ontario could in fact join Quebec and other jurisdictions that have been mentioned by focusing on the needs of injured victims rather than on narrow legal principles to ensure that the cost of necessary medical services—this would include long-term care and rehabilitation and all the other costs associated with disability—be reimbursed on a modest scale, not on a lavish scale. Thus it can be ensured that the families of these innocent vaccine victims will not have to bear a disproportionate share of the cost of meeting the necessities of life for children who contract brain disease following injection. It would ensure rather that compensation is paid either through a compensation fund established and mandated for pharmaceutical companies or at least spread across society by a government compensation scheme.

Mr Wessenger: I would like to commend the member for Scarborough East for bringing this resolution. I think it brings to the attention of the House the problems of people who suffer through the health care system, the problems we have with our tort system and the fact that the tort system does not work well in providing compensation for victims. I will be supporting the resolution because it calls for a discussion of the matter to see what types of schemes we should come up with. However, I do have some concerns about dealing with the matter on the specific, narrow basis of vaccine alone.

First, there are a very small number of cases in this regard, and I think we have to look at the financial costs of setting up an administrative system or a compensation fund, if that is the process we are going to do, that would add a great deal of administrative cost. We have to be aware that the implementation of this scheme would undoubtedly raise the cost of administering vaccine programs. I

am not opposed to the resolution for that reason, but I think we should be aware that there is a cost factor.

Second, I think we have to be aware that this is just a small part of the injury suffered through the health system by many individuals. We have the situation of the victim who got AIDS through receiving blood transfusions. We have other drugs to which there are adverse reactions. So we really ought to be looking at a broader scheme with respect to the whole aspect of compensation rather than just the narrow scope of vaccination.

The other aspect that concerns me is setting up a scheme on the basis of the workers' compensation scheme. The fact is that we still have the problem of determining causation. My friend the member for London South indicated the problems in proving causation with respect to vaccines. I think that is basically a problem. Again, maybe we ought to be looking at a broader type of compensation scheme. I am certainly supportive of developing a broad compensation scheme for people who are victims in our society, a scheme that would rehabilitate them and provide the necessary health care.

In conclusion, I would like to commend the member for bringing this matter to the attention of the House. Hopefully out of the discussions we will take a further step towards providing a better compensation scheme for victims of our health care system.

Mr J. Wilson: I am pleased to rise in support of the member's resolution this morning. I think everyone agrees that some degree of compensation is needed for individuals injured through vaccination. Children maimed by vaccinations are in effect suffering in the line of public duty. Not only are they immunized for their own protection, but also to protect the entire population from disease and from the enormous medical and social costs of epidemics.

There have been discussions involving federal and provincial health officials regarding the feasibility of compensation. Some of the important issues have been resolved and some have not, and we have seen that in the debate at this point this morning.

The problem I have with the member's resolution, although I agree with it in principle, is that it talks of beginning "consultation with the public and with health professionals, pharmaceutical manufacturers and health-related organizations" to implement "a compensation scheme for vaccine-related injury." I think it is premature for us to begin consultations to implement a compensation policy when a consensus is yet to be reached on how to go about this, and so I question the wording of the resolution.

The Ontario Medical Association is recommending an investigation into a compensation scheme instead of the establishment of a scheme at this time. I want to quote from Dr Ted Boadway, the director of health policy at the Ontario Medical Association. He sent me a letter yesterday and in it he talks about a couple of things. He says:

"This is the problem that children who are born with other conditions may have their condition attributed to vaccinations, since vaccination is universal, by parents who desperately would like to find a cause." The member for Simcoe East previously spoke about causation. "You must understand that this search for cause is not motivated

by avarice but rather by profound grief." He goes on to say, "These issues can be extremely difficult to decide, and would bedevil any compensation scheme."

Finally he says: "This is why we recommend the 'investigation' rather than the 'establishment' because we have doubts that the state of our knowledge in Ontario allows us to wisely decide the gates of entry to this program. Before you can recommend institution you must have some idea of the gates of entry, or the gates—or the lack of gates—will become a threat to the program itself."

I also want to briefly point out a couple of legal questions that I think have to be resolved before implementing any such compensation scheme. Quebec, for instance, has a vaccine injury plan that enables individuals to sue and be compensated, and the question arises, is the compensation money being used at times for unsuccessful lawsuits, and if so, is it being found to be extremely costly for taxpayers?

An additional concern I have is whether you pre-define what constitutes vaccine injury or leave it up to a panel or a series of panels to decide on an injury. Of course, the problem there is that implicit in any such system of adjudication is the notion that adjudicated evidence does not constitute medical evidence. So it is a question of whether we pre-define what we are talking about or allow courts or quasi-judicial panels to decide it.

How would a compensation plan pay out? Would it be like the federal government's plan where they are compensating a couple of thousand haemophiliacs, particularly children, affected by the HIV virus who were infected prior to 1985 when we were not screening the blood supply? They have been paid a lump sum. Does the member for Scarborough East, whose resolution we are debating, have in mind a lump sum payment or a regular payment program? Certainly the lump sum payment in the case of haemophiliacs is considered to be the more compassionate route.

Another concern that was mentioned is whether all the taxpayers pay for such a scheme. Will it fall on the shoulders of pharmaceutical manufacturers? I would argue that it should not, since pharmaceutical manufacturers, in developing the vaccines, are for the most part doing a great public service. Our programs are universal at this point and should not be solely responsible for those cases where injury occurs.

Finally I wonder whether the issue of liability, in the inestimable costs it could present, will serve to jeopardize the future of our immunization program, which could have devastating consequences for the general health of our population and for the quality of life of the people of Ontario.

1050

Ms Carter: I too would like to congratulate the member for Scarborough East and say that I am glad everybody agrees with this resolution. I think they should; it is very desirable. Vaccination, combined with increases in the standard of living and improvements in public hygiene, has probably done more to lengthen life and improve public health than any other advance in medicine.

My grandmother had seven children. Three of them died in infancy from infectious diseases, diphtheria and scarlet fever, I believe. Child mortality figures in particular have been enormously improved by vaccination. Diphtheria, smallpox and polio, which used to be household words, are now largely vanquished and the incidence of some of the less frequently fatal childhood illnesses has also been greatly reduced.

It has already been said that a person who has a vaccination is not just obeying the law or improving his own chances of survival; he is doing a public service. They are reducing the pool of people who can harbour a disease, thus reducing the likelihood that other people, whether vaccinated or not, will get it. Of course, the classic instance of this is the smallpox virus, which was eradicated after a worldwide campaign of vaccination. I can remember when a smallpox vaccination was mandatory for travellers. Now, as a result of universal vaccination, we are relieved of that nuisance.

There is a small number of people who have adverse reactions, some of them permanent, to given vaccines. As far as I know, and as has been said, it would not be possible to determine in advance who those people might be. Thus there is no specific blame to be attached when such adverse reactions occur. I would therefore agree that if vaccination is to be compulsory, and the more widespread and effective it is, then there has to be no-fault compensation for people who suffer damage as a result of receiving vaccination.

The damage is a fact regardless of whether the vaccine was administered properly or whether something was incorrectly done. I can see no point in wasting government money or any other funds on determining whether there was any fault, and I find the third party's pickiness on this issue to be a little counterproductive. Obviously there needs to be machinery in place to discuss negligence, but since damage can occur without negligence this should not be the criterion for compensation.

Quebec alone in Canada has legislation to compensate people. It is time intergovernmental discussions among other provinces in Canada and the federal government bore fruit. Disagreement over details should not stand in the way of the creation of a compensation fund, otherwise blameless individuals will continue to suffer more than they need for co-operating in the search for safer and healthier lives for all of us. I wholeheartedly support this resolution.

Mr Jackson: I am very pleased that occasionally we have new members of the Legislature who bring with them their new ideas and their sense of dedication, but unfortunately they do not bring their full sense of history on some of the important issues before us. In that sense, on the one hand I want to commend the member for Scarborough East for bringing forward this resolution, but I also want to remind the member and his government that a bill similar to this was presented by my colleague Mr Jack Pierce, the member for Rainy River, back in 1986.

From his private member's bill, debated on a morning not unlike this, there was a series of public hearings. First of all, we got the permission of the government of the day

to allow it to go to the standing committee on social development, and then have public hearings. What ensued was an incredible education for the members of this House in 1987. Not only did we meet the Rothwell family and Patrick, the boy who has been discussed here, but we met families from Thunder Bay, where a child had been inoculated for the second time in a month because the medical community in Thunder Bay had misplaced the child's records and that child died. The child's brain actually boiled over during the middle of the night and when they checked with the doctor, the doctor said: "The child's just being colicky. Call me in the morning." The child did not live through the night.

Throughout the entire world there is sufficient evidence that there is cause and effect as it relates to vaccine damage, and in particular with the pertussis vaccine. So when the member for Peterborough talks about pickiness, I want members to know that there is a long history of concern on this issue for members on this side of the House, and in particular Mr Jack Pierce. I have spoken in this House for up to three and a half hours on the issue of vaccine-damaged children in this province and I represent Patrick Rothwell in this Legislature; he is my constituent.

I want to let the members of this House know a couple of facts. We had Bill 98 in 1987. That bill caused a certain protocol to be observed in this province. It said that physicians are obligated under law to inform families of the risks associated with this vaccine. We did not have that law in this province. Parents were going in with a child, with no one to advocate for him except the physician and the parent, who could not articulate his needs as a three-month-old or a six-month-old child. We were not routinely informing people and that is what happened to Patrick Rothwell. The family had no idea that if he had an adverse reaction, it might be related to the vaccine.

We now have that protocol in place, but when we had all agreed that we should inform the patient, the government of the day changed the legislation to say just simply to cause the patient to be aware. In other words, if the pamphlet is in the doctor's office in this province, that is sufficient to cover him legally—the information about risks with adverse reactions to vaccines. That is not good enough. It is not good enough in most of the jurisdictions in North America, but it seems to be good enough in Ontario.

We are supposed to be keeping a registry of all the adverse reactions with children in this province and yet we know that is not going on. Like the registry we have for women who died during childbirth, there are supposed to be records kept. They are sitting in some file cabinet in the Ministry of Health. Nobody is analysing them and examining them.

Let me tell members the most important aspect of this issue. There are provinces, and states in the United States, that will not use the vaccine we routinely use in this province. Some Third World countries do not use our vaccine but we have a very cheap vaccine. In 1987 Connaught Laboratories was charging \$3 an inoculation. It raised it to \$8 so it could create a fund for insurance in case it went to court. I have not heard anybody discuss this insurance

money that Connaught Laboratories has been stockpiling over the years and how that relates to this issue of compensation. I think that is an area we should be discussing, but because we have public health care in this province—other jurisdictions that do not are able to develop compensation schemes by using the cost associated with what is charged for the inoculation.

We should be looking at the kind of research going on around the world. In Japan they are using split-cell approaches to this vaccine to get a much safer vaccine with documented empirical results that show they have fewer adverse reactions causing death.

As my time is running out I want to put on the record, especially on Patrick Rothwell's behalf, that if you open up this vaccine in this province today, there is a warning that says, "The parents should be questioned about the occurrences of any severe adverse reactions after the previous dose." That is the warning. If you look to the drug formulary books they will tell you that sudden infant death syndrome can be connected to this vaccine. It has been reported following administration of vaccines containing diphtheria, tetanus and toxoids.

There are a lot of important issues about this, the issue of compensation. I commend the member for raising it, but in 1987 we were told there would be a compensation plan and discussion.

1100

The Deputy Speaker: Thank you, your time has expired.

Mr Jackson: It is now five years late. Let's get on with it in this province.

The Deputy Speaker: The member for Scarborough East, you have two minutes to reply.

Mr Frankford: I have very much enjoyed listening to the contributions of the members on all sides. It really was my purpose to try to stimulate awareness of this issue, and I quite deliberately restricted it to the question of vaccination, although I am happy to hear the suggestions about broadening it. I thought that since there is this question, as the Conservative Party Health critic said, of injury in the line of public duty, this makes it particularly pressing to do something in this particular area.

I would like to acknowledge the contribution of the member for Oriole and her reference to the Prichard report, which I certainly am aware of. I do hope it is going to be discussed, because it does raise important questions about combining no-fault with tort. I think this is something which is of great interest in a broad range of areas. It gets into automobile insurance and other areas, so I thank her for raising that question.

Since there is not much time, the question of cost has not been raised all that much and I would have liked to spend more time on it but, as the member for Burlington South said, there is insurance. The companies are paying insurance right now. Physicians are paying their liability insurance, which in fact now gets topped up by the government. I think there are funds which could be reallocated into this but, as I say, the resolution is about consultations and I trust all these things will be brought into it.

FUNDING OF GROWTH BOARDS

Mr Sola moved resolution 28:

That, in the opinion of this House, given that there is extraordinary population growth in the areas of the greater Toronto area immediately surrounding Metropolitan Toronto, and that current development plans, such as the Sandringham-Wellindale development in Brampton, and the pattern of immigrant settlement suggest that such growth will continue indefinitely, and given that in 1991 the growth boards, namely, the Peel Board of Education, the Dufferin-Peel Roman Catholic Separate School Board, the Durham Board of Education, the Durham Region Roman Catholic Separate School Board, the York Region Board of Education and the York Region Roman Catholic Separate School Board, were seriously underfunded in comparison to their expressed capital requirements, the present government of Ontario should undertake to develop a capital funding formula particular to these growth boards to take into consideration their extraordinary needs.

The Deputy Speaker: Pursuant to standing order 94(c)(i), the honourable member has 10 minutes for his presentation.

Mr Sola: The reason I had to move this resolution was the receipt of a couple of letters, one dated October 2 from the Dufferin-Peel Roman Catholic Separate School Board and one from the chairman of the Growth Boards' Coalition, Mr Harry Bowes, which was mailed to the former Minister of Education, the member for London Centre, on October 1 this year. Both of them highlight the problems that the growth boards are experiencing.

A little bit of background information to start off with: As we all know, there is an extraordinary rate of growth in the areas immediately surrounding Metropolitan Toronto, and this rate of growth can be described as mushrooming, not growth, because none of the municipalities can keep up with the demand for services the growth has engendered. For instance, in Brampton this new development, Sandringham-Wellindale, will develop a whole community. I will allow my colleague the member for Brampton North to tell us more about the problems that will cause, because they will be causing a few grey hairs in his head, I think.

The growth boards which were named in the resolution requested \$796 million for the year 1991 for capital projects and they received a total of \$75 million. That is less than 10%. All these boards put together are currently using 3,015 portables. That means that out of a total of 345,000 students enrolled in these boards, at any one time you can have up to 90,000 sitting in portables. That is more than most boards have enrolled.

The extraordinary growth of these boards is just that, extraordinary, meaning that because there are special circumstances, they deserve special treatment. Where else in this province are children taught in such conditions?

I want to give members a breakdown of what the various boards requested and what they received from the provincial government in 1991. The York region separate school board asked for \$141 million and was allocated \$15 million for capital projects. They are presently employing

365 portables. The York region public school board asked for \$62 million and received \$11 million. They are employing 726 portables. The Durham region separate board asked for \$111 million and received \$9 million, requiring the use of 147 portables. The Durham public board asked for \$92 million, received \$7 million and uses 500 portables. The Dufferin-Peel separate school board asked for \$322 million and was allocated only \$25 million, requiring the use of 630 portables. The Peel public board asked for \$68 million, received \$8 million and is using 637 portables.

What are the problems with the underfunding of capital projects? First of all, there is the growth of portables. As I said, there are 3,015 portables in the growth boards, and taking an average of 30 students per portable, which is what the student-teacher ratio is in the growth boards, that comes out to over 90,000 students. This means that a huge number of children are being educated in structures that were designed to be temporary. Some of these temporary structures have been in place now for over 30 years. Because they are temporary, they are causing problems which have nothing to do with education.

Here I would like to refer to the letter from the Dufferin-Peel Roman Catholic Separate School Board, dated October 2 and addressed to me. It says:

"As you are well aware, the Dufferin-Peel Roman Catholic Separate School Board has faced and is facing a number of critical issues: inadequate amounts and levels of provincial funding; taxpayer concerns about education costs, and others. As you may have noted recently in the press, we are now encountering yet another serious issue—that of indoor air quality."

It goes on to say later in the letter:

"The report details, among other board concerns, the need for regulated/legislated standards related to indoor air quality; the lack of interministerial consensus on IAQ issues; the complexity in attempting to determine all the variables related to IAQ; the potential considerable cost to the board to install mechanical ventilation units in its portable classrooms if required and the cost to the local rate-payers of studies to determine the nature and extent of our problems regarding IAQ."

1110

They go on to give five recommendations: that the board request the Ministry of Education, in co-operation with other appropriate ministries, to establish regulated indoor air quality standards and to provide adequate funding to ensure that schools meet such standards; that local MPPs be requested to address this issue in the Legislature as soon as possible; that the Dufferin-Peel Roman Catholic Separate School Board establish a task force consisting of trustees, staff and parents to study indoor air quality issues and to provide recommendations; that in order to assess indoor air quality through the system, the board authorize the expenditure of funds, not to exceed \$20,000, to expand the study to determine ventilation rates in a representative sample of portable and portapac classrooms, and finally, that the board authorize the expenditure of funds, not to exceed \$80,000, for piloting, at St Basil Elementary School and other sites selected by staff according to criteria which will

be reported and approved to the board, a variety of mechanical devices and alternative measures, with a view to finding the best solutions related to indoor air quality issues which can be generalized to the rest of the board.

Members can see from just this one letter what problems result from having too many portables and portapacs.

I would like to touch on another issue and just show members what the students are facing in several schools. Bishop Scalabrini, for instance, was designed to accommodate 500 students. Its 1990 enrolment was almost 1,100 and it was forced to use 20 portables. Father Michael Goetz was designed for 1,100. In 1990 enrolment was 1,900. They were forced to use 25 portables. St Martin, which my two daughters attend, designed for less than 700, had an enrolment of almost 1,500, forcing it to use 25 portables. Loyola Catholic Secondary School, designed for 750, last year had an enrolment of over 1,400, requiring 26 portables. Here is a real interesting one: Our Lady of Mount Carmel, designed for less than 1,100, last year had an enrolment of over 1,400. They were forced to use 15 portables last year, and to date, as I am speaking, they are in the process of putting up their 30th. In one year they have put up 15 more.

I would like to refer now in the last few minutes I have to the letter of October 1 addressed to the former Minister of Education by Harry Bowes, the chairman of the Growth Boards' Coalition. It states, and this was also reiterated by my colleague the member for York North, who is the critic for Education, that the former Liberal government passed Bill 20, legislation which would provide boards of education with the opportunity to put in place lot levies to raise moneys for the construction of new schools. To date, they have waited over 22 months to get authority to hold public meetings and to pass the necessary bylaws and they are really concerned, because not only are they losing money, but the provincial government is forced to allocate additional moneys to meet the needs.

Mr McLean: I welcome this opportunity to comment briefly on this resolution from the member for Mississauga East. I would like to read the resolution into the record again. It says:

"That, in the opinion of this House, given that there is extraordinary population growth in the areas of the greater Toronto area immediately surrounding Metropolitan Toronto, and that current development plans, such as the Sandringham-Wellindale development in Brampton, and the pattern of immigrant settlement suggest that such growth will continue indefinitely, and given that in 1991 the growth boards, namely, the Peel Board of Education, the Dufferin-Peel Roman Catholic Separate School Board, the Durham Board of Education, the Durham Region Roman Catholic Separate School Board, the York Region Board of Education and the York Region Roman Catholic Separate School Board, were seriously underfunded in comparison to their expressed capital requirements, the present government of Ontario should undertake to develop a capital funding formula particular to these growth boards to take into consideration their extraordinary needs."

I have some reservations about this resolution, because it focuses exclusively on the greater Toronto area and ignores other critical areas of Ontario.

With respect to the Simcoe County Board of Education, there are currently 7,000 elementary and 1,800 secondary school students educated in 340 portable classrooms. With respect to the Simcoe County Roman Catholic Separate School Board, there are currently 2,882 English elementary students educated in 131 portable classrooms and 1,424 English secondary students educated in 89 portable classrooms. As well, there are 176 French elementary students educated in eight portable classrooms.

In Ontario, we are in serious danger of having a generation of students go through school in substandard facilities. As many as four students are forced to share lockers because schools are occupied by twice as many students as were intended in some areas of this province. Some schools have little outdoor recreation space because playgrounds and track facilities are covered with portable classrooms. I have some serious concerns about the health and safety of students who are faced with getting an education under such an outdated system.

Under Ontario's current system, taxes raised through commercial and industrial assessment are shared between school boards, based on the number of home owners who list themselves on the tax rolls as separate or public school supporters.

Quoting from the New Democratic Party's Agenda for People:

"The Liberals like to talk about international competitiveness and preparing for the next century. Yet they've broken their promise of 60% funding for elementary and secondary schools, putting the squeeze on quality education and property taxpayers.

"New Democrats propose raising the provincial share of education costs to 60% over five years, providing a solid base for a better education system and lifting some of the load of property taxes. The cost of this initiative over the next two years would be \$1.5 billion. That's also \$1.5 billion in property tax relief for Ontarians. We want to reverse the punishing increases in property taxes which hit seniors and low-income people especially hard." This is the same government that has cut back on student funds for university.

I suggest that the NDP Agenda for People and the resolution before us today are examples of inadequate solutions to problems created by an outdated system for raising and distributing money for education purposes. I also suggest the time has come for us to undertake a complete review of education funding in Ontario.

In line with the third recommendation of the select committee on education's third report, I believe co-operation with the education community is essential to define the types and level of programs and services that constitute a basic education, and to calculate the component costs of these services. Provincial support for education would be determined by this new model.

These funding reforms would ensure that every school board in the province has sufficient resources to provide equality of educational opportunity for every child. In the

interim, no new provincial initiatives should be introduced without adequate provincial resources for their implementation.

In consultation with the education community, the government should look towards the establishment of an option for the creation of consolidated school boards, where both the public and the separate school boards wish to do so. Consolidated school boards would be composed of one joint administrative board and two educational panels, allowing for greater cost efficiencies and more effective use of resources.

I believe enhanced internal and external audit procedures for school boards are necessary to ensure cost-effective use of tax dollars. I recognize the need to establish a separate capital expenditure budget to cover the cost of renovations and repairs of the existing stock. I also recognize the need for government to work with the development industry to build new schools in growth areas of the province. Under this leaseback concept, home builders would retain ownership of the land, build a school and then lease it back to the school board for a specific period. This would ensure that new schools would be built at the same time as subdivisions, eliminating the need for portables in growth areas.

Perhaps the government should review the education lot levy and allow school boards to issue bonds with preferred income tax rates to finance the local share of capital construction.

Just recently, one of the school board members in my riding had a meeting with the Ministry of the Environment on the reasonable land use policy with regard to school boards in the county. The indication I had from that meeting was that now we are not going to be able to put additions on to schools because of the septic system requirement of the Ministry of the Environment. In a school with an enrolment of 218 pupils, they require an additional 114 acres to put an addition on to that school. In a school in Wyevalle with 245 pupils, the acreage required for 350 students would be 61 and for 500 students would be 87.

There are other examples in East Oro, Guthrie and Medonte East of the additional acreage required to put additions on to schools. What they are really saying is that there are going to be no more additions to rural schools, so the Ministry of the Environment and the Ministry of Education had better start looking at the reasonable land use policy applying to the school boards across this province.

1120

Mr Martin: It gives me some deal of pleasure to rise this morning as the member for Sault Ste Marie and parliamentary assistant to the Minister of Education to speak to this resolution.

First of all, I want to say to the member for Mississauga East that he certainly brings to us today a very real problem, one that I do not think any of us does not recognize, one that I do not think any of us has not in some way been lobbied about over the last number of months.

All of us who represent ridings across Ontario that have school boards therein recognize that the funding of education

is a challenge that faces this province in a more critical way now than it ever has in its past. However, this problem is not a challenge—let's call it that—unique to the greater Toronto area. It is a problem all of us experience across the province. It is not a problem the government has not recognized and is not trying to grapple with and come up with some answers to.

I think it is important to recognize two factors. One of them is that the challenge of education is province-wide and that we must consider the whole province when we look at how we fund education. Not only that but, in looking at the funding of education, we must be very concerned as well about where we raise that money, where it comes from and how we do that. It is a much more complicated issue than simply levying taxes on people who are building new homes and that sort of thing.

This government has responded to that challenge, actually, in two ways. We have launched the Fair Tax Commission, which will allow us to look at this problem in its fullness, in all its factors. We recognize there is a problem in the collection of taxes and how we spend them. There is a demand on the government today for moneys as there never was before, particularly in front of the recession that we have raging.

This is the question being asked by the Fair Tax Commission: Is the current property tax system capable of meeting the revenue requirements associated with local governments' and school boards' program delivery responsibilities while imposing a fair tax burden on property owners? If not, what changes should be made to the property tax system and/or other funding sources for local governments and/or school boards to improve the fairness of their revenue-raising requirements?

I think the operative word here in both the collection of taxes and the spending of taxes is "fairness," certainly recognizing that Metropolitan Toronto has a particular problem at the moment. A number of the boards the member for Mississauga East spoke of were in my office speaking very passionately and eloquently about their own particular situation. However, every weekend when I go home I hear the same story from my own boards.

It is also important to know that the Ministry of Education has launched a discussion around this question in an effort to participate more positively with the Fair Tax Commission. It has started an education reform project and put out a consultation paper that will include all the major players. The focus of that particular exercise will be on providing equity to the learner in Ontario and also being fair and responsible to the taxpayer.

As I said in my opening remarks, I appreciate the opportunity to speak to this. I recognize it as a very important challenge in front of us as a government. I suggest that we as a government are responding in a responsible way. We are looking at the problem in its fullness. We appreciate, invite and will consider seriously any discussion or input that members across the floor and particularly our partners out in the communities might have on this important question.

Mr Curling: What an opportunity to remind this government of its responsibilities. It is very easy. I want to just come from a base, all the time, from their bible or charter,

the Agenda for People. They are very familiar with that, because it is a document with which they are guiding themselves to destruction, as a matter of fact, because of renegeing.

The member for Simcoe East mentioned exactly the direction in which they felt they would be going and also some of the broken promises of the Liberal government. When we are speaking about broken promises, we just have to see the government across the way. I am very encouraged by the members on the government side who have recognized the importance of lack of funding. Not only have they broken their promise on the operating costs, but they have also reneged on their commitments to capital funding.

We have seen the rapid growth that has taken place, Mr Speaker. I am from the riding of Scarborough North, which I know you have visited very regularly. I encourage many of the members here to visit that wonderful place of Scarborough, specifically Scarborough North, which is an example of the diversity and growth of Ontario and the need for capital funding, especially in the school system.

When the Liberal government was in power in 1990, it allocated to the Scarborough Board of Education grants totalling over \$8 million for the construction of two schools. As members will remember, that included child care centres for both schools, quite a forward-looking policy.

The NDP says now that the cupboard is bare. As a matter of fact, they are beyond even thinking properly how to construct the economy. When they looked into that cupboard they said it was bare, but when they reached their hands in there, they found money to pay off the teachers, they found money for Ontario Hydro and the exorbitant salary they are paying Mr Eliesen, and they found money for many other things. But to find money to educate our children—

Mr McClelland: The future of the province.

Mr Curling: The future of the province, as my colleague the member for Brampton North states; no foresight at all, no commitment in that direction. It pains my heart that the cupboard is bare, not for doctors, not for the Ontario Public Service Employees Union, but for our children.

Between 1981 and 1986, Scarborough grew or increased by 9.3%. On a comparative basis the city of York grew by 6% and the city of Toronto by 2.2%. More recent estimates point to even more dramatic growth, with much of our community's population increasingly made up of the many new Canadians who arrive and contribute so well to our population.

The member for Scarborough East nodded in agreement, realizing the urgent need for that funding. I am sure he has visited the portables; if he has not done so, I would encourage him to visit the portables that are there. Many of the students are now studying in portables. They had identified the need when in opposition, then the third party, that this was so needed, so much so that they put it in the Agenda for People.

I would like to clear this up, but I decided not to because I feel they will come to their senses. We have colleagues on this side who are prepared to sit with them to

show them where the priorities are, because most times the socialists over on that side talk a lovely talk but they do not walk. It is time for them to walk the walk and scrap the talking. The consultation, the constant consult, consult, "in order for us to consult" is a lot of talk, of rhetoric.

Our children are hurting. For us to compete we must have the equipment and the facilities. I urge them to encourage those ministers who sit close by to change the priority and put the proper funding within the school system.

1130

The Deputy Speaker: The member for Mississauga South.

[Applause]

Mrs Marland: I appreciate the applause, especially from the government members this morning.

It is a pleasure to rise to support the resolution of my colleague the member for Mississauga East. I also congratulate him on the first resolution he has had an opportunity to bring forward in his four and a half years in the House. Since we are on a lottery system, we do not all get to the top of the heap with our lottery draw for this opportunity.

However, the one concern I have about the resolution is that it is limited. I wish it would have gone further into the real problem that exists today for the funding of education in Ontario, not only in terms of the capital cost but also the operating cost for schools and the education systems.

The travesty of what has been going on for the last six years in Ontario is that both the present government and the previous government—the Liberal government—have not made education the priority it needed to be, nor have they fulfilled the responsibility with which they are mandated, to give an equal opportunity for education to every child in this province.

During our Conservative election campaign of last year, we actually put forward a very realistic suggestion, and that was that there should be two separate capital funds to address two different needs, one being the construction and building of new schools and the other being renovation and repairs to existing schools.

We can have schools in older areas of new-growth boards and the Peel Board of Education and the Dufferin-Peel Roman Catholic Separate School Board are two very good examples of that, but I would like to give members an example of a school in my riding in Mississauga South, which is one of the Dufferin-Peel Roman Catholic Separate School Board's elementary schools, and it is St James school.

If members were to visit St James school, they would find a facility for education in Mississauga South that they would not believe could exist in terms of its being crowded and with a total lack of facilities for a full curriculum program for those children.

I have stood in this House every year for all the years I have been here and talked about St James school. I have stood in this House and begged every Minister of Education to come and visit St James school and try to understand why each had a responsibility as Minister of Education to make the renovation and repairs to existing stock as big a priority as funding new schools, so that

children who are in any part of this province at least have an equal opportunity because they have an equal type of facility. The children in St James school do not have a gymnasium or an auditorium. They have to be bused to outside facilities like church halls to rehearse for school concerts and similar events.

Their physical education program is limited because of not having a gymnasium. Of course, as with so many schools in the region of Peel, a large proportion of the students are in portables. We now have a new Minister of Education and I will be writing my routine letter to him to see if we can yet convince a Minister of Education in this province to care about older schools that need repair and renovation.

I wrote repeatedly to the Liberal ministers of education. I wrote to the member for London Centre, the previous Minister of Education in the current socialist government. As I said a moment ago, I will be writing to our new Minister of Education, the member for Dovercourt.

It is really significant that for the last six years the number of children in portables in this province has increased by 102.6%, over 100% more children in portables today in Ontario than when the Progressive Conservative Party was the government and responsible for education.

We have these horrific figures of children in portables. At this point I would like to mention on behalf of the member for Willowdale that at Brebeuf Secondary School, which is a Metropolitan Separate School Board facility in his riding, 60% of the students are in portables. In the Dufferin-Peel separate school board and the Peel Board of Education in Peel, over 50% of the children are in portables.

At the same time we have all these children in portables, which in my opinion is substandard education in terms of the opportunity of an environment, the cost of education is more and more being transferred down to the lower levels of government, namely, the municipal level of funding. The school boards themselves are now having to debenture and borrow the money to build their new schools. Who pays the cost of that borrowing? The property taxpayers. I have a great deal of concern with what is going on in the province today, and I hope there will be a remedy for it.

1140

Mr Fletcher: I rise not to support the resolution but to show some sympathy for the resolution. As a former trustee with the Wellington County Board of Education, I know too well the problems with underfunding. I have seen the people on our board, the administration work hard with the lack of funding over the years. It is not something that has happened just today. This problem is not a problem that lurks only in Mississauga or somewhere else like that. It is throughout the province and that is something I think we have to address quite clearly.

If members look at the area of Guelph which has seen unprecedented growth over the last few years, that is not just an overflow of people from Toronto; that also brings in people from outside the province and people from outside the country.

The problems in my riding are the same as members would find in most ridings in Ontario: overcrowded schools, busing children long distances so that they can find available space, and administration being pushed out and squeezed out. The problems are there and we cannot just keep throwing money we do not have at the situation. I think my colleague the member for Sault Ste Marie mentioned some of the programs that we are implementing as a government.

When people talk about the quality of education, as I said, being a former trustee I know how dedicated and how hardworking the teachers are in Wellington county. That is why the quality of education in Wellington county is so high; also the administration, which has to work with the lack of funds and try to implement some of the programs the government puts on us.

What it is going to take is some co-operation between school boards and the provincial government, and also co-operation in this House between the opposition and the government, to help us put our programs through so we can start dealing with some of the problems that the underfunding problem has created. We have to realize, as I said before, that this did not start overnight. This started with the extreme right-wing party, when Bill Davis was Minister of Education and was starting to tinker with the system, and it has not stopped since.

When I was a trustee for five years, it was during five years of economic boom and the Liberals were in power and we could not get a penny out of them this way or that way. As I said, it did not start overnight. The problems started there, they continued there and now the member is saying to us to fix it for his area. We cannot do it overnight. We are going to take our time to do it and we are going to make sure that the economy can support our education system before we start throwing more money at it.

Mr McClelland: Let me at the outset address a few comments made by my friend the member for Guelph. His point is well taken. There is a problem that attaches to school boards across the province, and to any that are high-growth areas. I think my friend the member for Mississauga East has tried to focus the issue with respect to the areas in the GTA, because that is where there is a significant problem with respect to growth.

I want to talk very briefly about a point that was raised by the member for Guelph. He said that the former government did nothing. I remind him that the previous government, prior to the Peterson government, had flat-lined capital funding for year after year. In the year I was elected, I say to my friend opposite, it went from \$75 million to \$300 million. I would say that is doing an awful lot. In the boards I represent, the areas that are contiguous with my riding, more money was spent in the Peel board than was spent previously in the entire province. I think it is important that the record show the former government responded.

I asked the question at that time, "How much is enough?" When it comes to this issue, one could argue that you never have enough. But for the members now in government to have flat-lined what we did in government is really just totally unacceptable. They have betrayed the

promise they made that they would address the problem. They have flat-lined. They have in fact done what the Conservative government did and have flat-lined capital funding for schools. I think the member for Guelph should keep that important point in focus.

I want to say to the people of Ontario, particularly those in high-growth areas, that right now school boards are presenting their capital funding proposals to the Ministry of Education. School boards are now presenting their capital needs for the next provincial budget. I would urge every parent who has a child in a portable in the greater Toronto area and indeed across the province, to phone the Premier at 325-1941 and tell him that you are not satisfied that your child is receiving an education in a portable. Call the Premier at 325-1941 or fax him at 325-3745 and make a phone call for every child who is in a portable. In my area alone that would be some 36,000 phone calls to the Premier's office. I urge parents to do that.

I want to tell members what the Premier said when he was just "Call me Brother Bob," before he became the imperial Premier. He said, "Every time they"—school boards—"build a new school in the area a few kilometres northwest of Toronto problems are added right away, which is a direct product of the underfunding of the government. School boards have been wrestling with rapid growth without getting enough money from the provincial government."

A year ago, prior to the election, in the summer of 1990, before he was cloaked in the regal robes he prances around in now, the Premier said, "I'll take care of it." On August 10, 1990, he said, "The Peel Board of Education"—which includes Huttonville—"is one of the largest in Canada and has 18,000 of its 93,000 students studying in portables." He promised an NDP government would increase government spending on education, but he would not reveal the details until later in the campaign. The campaign is past. It has been more than a year since he was sworn in as Premier and I have seen nothing happen in the area board. It has been flat-lined.

I take particular exception to that. We took a lot of heat. We did the best we could and we did not do well enough. I admit we did not do well enough, because when it comes to providing adequate funding for our children, you cannot do too much. But the year before the member for York South became Premier, 28 capital projects were funded in Peel. Last year, under the Premier who promised he would take care of this problem, five capital projects were funded. The people of Ontario and Peel cannot accept that in light of his promise. I again urge them to call the Premier, to fax the Premier and tell him, "Bob Rae, live up to your promise."

Mrs MacKinnon: Education has long been of great interest to me and it continues to be now that I find myself as the elected member for Lambton. Many will be aware that I was serving on the Lambton County Board of Education at the time of my election. I well remember during my term as a trustee the many concerns I, along with my colleagues, had at budget time trying to match the dollars available to the programs we were trying to implement. I very well remember looking at the dollar amounts being

requested and the dollar amounts projected by the collection of taxes. I need not tell anyone the two never matched; indeed, the budget dollars were far more than the dollars available.

It goes without saying that it is still that way. With the onslaught of this recession dollars for education are still in short supply. It appears to me that at a time of restraint such as we find ourselves in it is necessary for all school boards in Ontario, including Lambton county's, to become more innovative as to how they are spending their dollars.

I cannot support this resolution because in my opinion all boards of education are experiencing population growth. I really believe the boards named in the resolution are experiencing and will continue to experience extraordinary population growth, but it would be very difficult and unfair for any government to fund different boards of education across the province in different ways.

It would be easy for me to present a case for Lambton county to qualify for such extra consideration. There is no need for separate capital funding. Separate capital funding will only make for severe problems of understanding with other boards of education. All boards of education, including Lambton county's, are experiencing a shortfall of funding because of rising costs.

As I alluded to previously, the recession we find ourselves in makes the job that much more difficult. Our government has formed the first Fair Tax Commission, which will be looking for things to help education financing. Also, the Ministry of Education has set up an education finance committee to take a look at the funding of education. Important as education is to all of us, we as a government are doing and have done all that can be done during a very severe recession.

1150

Mrs Caplan: I am pleased to rise in the debate today and I want to congratulate my colleague the member for Mississauga East for raising this issue during private members' hour.

There is a goal we all share in this Legislature. During private members' hour we have a chance to talk about our goals. I think everyone in this Legislature wants the children of Ontario to have the very best education possible. I think they realize that the very best learning environment will enhance the learning opportunities for the children in the province.

We are also concerned, all of us, about an environment which is substandard or less than optimal or unacceptable, as we have heard from the member for Mississauga East in his description of the kinds of substandard conditions in place, particularly in the GTA, because of the very rapid increases in enrolment over the last few years. This has led to a concern that the learning experience will be diminished and that our children will not be having the best educational opportunity we all want them to have.

What should the government do about it? I can tell members how disturbed and distressed I am that there was no speaker out of the government benches from the GTA and no speaker who really understood the exceptional

pressures of rapid growth and rapid enrolment increases that the boards in the GTA are experiencing.

We heard calls for innovation at the boards. There is a real opportunity, and I would like to be helpful this morning during private members' hour in suggesting to the new government what it can do to address this. It is their responsibility to set their priorities. They have to be really clear about what their priorities are and then reallocate available resources. No taxpayer in this province wants to see increases in taxes—certainly I as a taxpayer do not want increases—but there are some resources that could be reallocated.

For example, they came out with a \$700 million anti-recession fund. The beauty of using capital to stimulate the economy in education is that there are no operating implications. Their formula for funding education is fixed. They could have used a substantial portion of the \$700 million to build badly needed schools, particularly in the GTA. They could have recognized that need and put their money where their mouth was a year ago during the election campaign. They could have done it. They allocated money but they did not set the priority. They are building noise barriers along our highways. It is nice to have noise barriers, but is that their priority? Let's put that money towards schools. There are things they could be doing in setting priorities that could be really clear.

We are in a recession right now. During this recession we are seeing increases in vacancy rates. There are also huge operating implications in building more social housing. Maybe some of those dollars should be going into education capital instead. Those are the kinds of decisions that they as the government can make as they go through their allocation process. They are not making them. They are not managing the available resources. They are not setting clear priorities. They are not sending the message out to the people of this province that they know how to stimulate the economy to get us out of the recession and that they know how to manage the available resources as effectively as possible to achieve the common goals we share. I am very concerned about that.

When I listen to the bureaucratic palaver coming out of the members who spoke this morning, I am really worried. On behalf of my own constituents in the riding of Oriole, the people in the GTA and the people of this province, this government has to get its act together. It has to understand its role. It has to look at reallocation of existing dollars and putting them where its priorities are.

I say very clearly that they have got to do it now. Sending it all off to the Fair Tax Commission and waiting until 1994-95 to take some action is unacceptable. The children of this province need their attention now. The people of this province need their attention now. We are here to help them. They do not accept any of our good ideas when we propose them. At least today they should support this important proposal from the member for Mississauga East and send a message to their government.

Mr O'Connor: I want to thank the member for Mississauga East for bringing this resolution to the House today because I, as the member for Durham-York—I also live in the riding—have four school boards. They are the

four growth school boards we are talking about here today. I share a lot of the concerns the member has raised.

Perhaps the motion is somewhat flawed, because it does not address the whole education system. In referring to that, I would like to point out the work done by the standing committee on public accounts and its report this year. It pointed out a couple of different problems with education funding. One of the school boards we looked at was the York Region Roman Catholic Separate School Board. Last year they looked at having a deficit of \$18 million, a very serious problem. But some of the problems are basically because of funding discrepancies. Again, high growth becomes part of the problem, and of course their allowance to fund in different ways just exacerbated the problem. They worked quite closely in the minister's office trying to resolve some of these problems. That is what has to be done.

In looking at school boards, we have to take a look at the broader problems right across the province. In public accounts we looked at that. These are a couple of the boards that were looked at by the Provincial Auditor, and the auditor looked at the Lakehead school board up in the north too. They addressed a lot of different concerns and the problem they had was a lack of control of spending and auditing. That needs to be addressed and is something that will be addressed. It is something we have to take a look at right across the province. It is actually somewhat flawed.

The auditor addressed some of the problems at the Ministry of Education regarding inadequate documentation around capital expenditure and forecasting. The ministry has worked with the auditor in trying to meet some of those requirements. It is something that again points out the whole broader issue beyond schools and school boards within the GTA.

I can point out one of the schools in my riding that has an overcrowding situation, which of course causes safety and hygiene problems. The parents there have been calling for a new school for years now—"Build us our new school"—and rightly so. There have been a lot of new schools built within the region and they have not received theirs yet.

I also remember last year in the late spring, when the capital expenditures were being submitted by the school boards for approval, that these parents from the school actually took a look at trying to solve some of the problems and trying to restructure the whole system right within the whole town of Uxbridge. That is creative thinking. It is trying to use money that did not need capital dollars and trying to put a little fairness into it.

There was a request put in for \$2.1 billion and the only money we had available was \$300 million for capital expenditure funding. We have to take a look at that and we have to recognize it. We also have to remember, as the member for Scarborough East mentioned, that we have only one taxpayer. When we go looking for school taxes we have to keep that in mind. That is something we have to take a look at.

Among the different issues raised during our committee hearings was the lack of accountability as far as some of the school boards are concerned, because of the audit

committees they have. There needs to be more public participation. Bring in some of the parents and sit down and discuss some of the needs that need to be addressed within the schools and within the school system.

I think the problem is not just within the GTA. It goes far beyond that. We have to take a look at that as a government and recognize the special needs within the GTA. I thank the member for Mississauga East for bringing this resolution forward today.

1200

Mr Sola: I would like to thank all the members who participated: the members for Simcoe East, Sault Ste Marie, Scarborough North, Mississauga South, Guelph, Lambton, Oriole and Durham-York. I accept some of the criticisms and I welcome the suggestions that were made. I think it is time education stopped being a political football, something used during an election campaign to build up support and conveniently forgotten once the election campaign is over.

As we have noted, delay just magnifies the problem. I realize that my resolution was limited in scope because it concentrated on the areas immediately surrounding Metropolitan Toronto. That is the area I am most familiar with and for which I had the most facts. For instance, when the member for Guelph notes that his area is now a growth area, it shows the danger in the NDP government's response that will put education funding on the back of the Fair Tax Commission for consideration. By the time they finish their deliberations and make their recommendations, we may have several other areas that will be considered growth areas because they are behind in their facilities as far as the number of students is concerned.

If the members accept the principle of the resolution, that we should develop a formula that will look more

adequately after the needs of our students, I will be happy. But I would hate to use the limited scope of my resolution for ignoring the problems that have occurred in this province. These problems were there when we had a Conservative government, they were there when we had a Liberal government, they are here under the NDP. Our government tried to do something about it and I hope the NDP will do so as well.

COMPENSATION FOR VACCINE-RELATED INJURY

The Deputy Speaker: Mr Frankford has moved resolution 27.

Motion agreed to.

FUNDING OF GROWTH BOARDS

1207

The House divided on Mr Sola's motion of resolution 28, which was negatived on the following vote:

Ayes—25

Bradley, Brown, Caplan, Carr, Hansen, Jackson, Malkowski, Marchese, Marland, McClelland, McGuinty, Miclash, Mills, Murdoch, B., O'Connor, Perruzza, Phillips, G., Ruprecht, Sola, Sterling, Tilson, Turnbull, White, Wilson, J., Wiseman.

Nays—26

Bisson, Carter, Christopherson, Cooper, Dadamo, Drainville, Duignan, Farnan, Fletcher, Frankford, Haeck, Harrington, Hayes, Hope, Kormos, Lessard, MacKinnon, Martin, Mathysen, Morrow, Owens, Ward, B., Waters, Wessinger, Wilson, G., Winninger.

The House recessed at 1212.

AFTERNOON SITTING

The House resumed at 1330.

MEMBERS' STATEMENTS

BILINGUISME EN ONTARIO

M. Grandmaitre : Lors de la dernière campagne électorale, l'Association canadienne-française de l'Ontario a circulé un questionnaire concernant les politiques en matière d'affaires francophones. Les réponses du premier ministre ont soulevé les espoirs de la communauté franco-ontarienne. Le premier ministre a déclaré être en faveur de promouvoir les services en français en matière de services de santé. Il a déclaré être en faveur d'établir une université et un autre collège francophone en Ontario. Sa réponse à la question du bilinguisme officiel donnait à espérer à toute la communauté franco-ontarienne. Le premier ministre a répondu sans équivoque, «Oui, le parti néo-démocrate est en faveur du bilinguisme officiel en Ontario.»

Mais en juin dernier, lors du Sommet de la francophonie ontarienne, le ministre délégué aux Affaires francophones a annoncé que l'Ontario ne serait pas déclaré officiellement bilingue. Plus que cela, les Franco-Ontariens n'ont plus de chance de participer dans le processus gouvernemental puisque le ministre a dispersé le Conseil d'éducation franco-ontarien.

Comble de frustration par l'inaction du gouvernement NPD, l'Association canadienne-française de l'Ontario a tenu une conférence de presse hier pour pousser ce gouvernement à maintenir ses engagements envers la communauté franco-ontarienne. L'ACFO a dévoilé un projet d'entente qu'elle veut signer avec le gouvernement de l'Ontario. Cette entente reconnaîtrait le français comme langue officielle en Ontario et donnerait aux Franco-Ontariens le droit à l'autogestion de leurs institutions scolaires et financières.

Maintenant, l'ACFO et la communauté franco-ontarienne attendent un signe de vie du Bureau du premier ministre.

TVONTARIO

Mr B. Murdoch: TVOntario says it helps Ontarians develop the skills they require to successfully participate and compete in the world of rapid change and global challenge. For the sake of the public of this province, I hope TVO is not planning to lead by example and teach its viewers to avoid paying taxes, for that is exactly what this publicly funded community channel is doing.

TVOntario owns 97 acres of land in Grey and uses eight of these acres for a tower. The rest is good farm land, part of which is rented out to a farm family and for which TVOntario receives revenue in the form of rent. I realize TVO is relying on the Assessment Act to avoid paying anything towards the wellbeing of its host municipality, but it seems that such a corporation, which prides itself on serving the public, would realize that it is not held in very high esteem when people see it collecting rent and contributing nothing to the upkeep of the roads.

The municipal tax assistance act enables crown corporations to pay an amount in lieu of taxes at their discretion. I would ask that the Minister of Culture and Communications look into this matter and decree that TVO at least pay the municipality for the portion of land that it rents out. How can TVO purport to serve the public when it is seen by my constituents to be unwilling to fulfil its community responsibilities?

ADULT LITERACY

Mr Winninger: I am pleased to rise in the House today to recognize the work of a distinguished Canadian from London, Ontario. Mary Oliver, administrator of adult education for the London Board of Education, recently received two honours for her work to overcome adult illiteracy. In May she accepted the Lamp of Learning award from the Ontario Secondary School Teachers' Federation, and last Wednesday she was awarded the Ivey award for excellence from the London Foundation.

Mary Oliver, a voluntary tutor in 1978, became administrator of the program in 1981 and now oversees a program with 2,000 learners, 140 volunteer tutors and 25 full- and part-time paid teachers. She tells me that the program's success is due to the students' determination and hard work, learning basics with a tutor, then using classroom instruction to refine their skills.

Today's Globe and Mail front page reports 56% of 227 forest products industry employees in British Columbia had difficulty reading at a mid-grade 4 level. Two years ago, an Ontario study found 40% of all adults had below eighth-grade literacy. In London, 20% of the population is functionally illiterate.

The dedication of individuals like Mary Oliver, as well as the \$10.5 million in funding for the 184 organizations that provide literacy programs and services for adults throughout Ontario, supports people learning to read and write.

LAND REGISTRATION

Mr McGuinty: A few hours ago I had the misfortune of sitting on the standing committee on government agencies. I describe it as a misfortune for the following reasons.

As members know, the committee was charged with the important task of determining the best way to deal with allegations that a solicitor representing the Minister of Consumer and Commercial Relations had made statements contemptuous of this House's authority, of the committee's authority and of the privilege enjoyed by each member of this House.

Two motions were put forward in committee today. The government's motion, which of course passed, recommends to the minister that she herself conduct an internal inquiry and take whatever action she deems appropriate. The opposition motion could not even be debated, as the government invoked closure after only one member of the committee had spoken.

The result is that this matter of vital importance to all of us here and to our traditions of parliamentary authority

will be investigated by a minister whose own lawyer, who we must logically presume was acting in accordance with the minister's wishes, will now be conducting the inquiry. In effect, the minister will be the judge, the jury and the accused.

Our public and our traditions of fairness demand that this matter be reviewed by a committee of this House. The course that the government members of the committee have embarked the committee upon means that this government has no intention of dealing with this matter publicly and fairly. Government members have accused us of being on a witchhunt. We are on a hunt—a hunt for the facts, and we will pursue those facts relentlessly, rigorously and unfailingly.

WASTE MANAGEMENT

Mr McLean: My statement is directed to the Premier. He is not here, but the Deputy Premier will hear it. It concerns the failure of several ministers to respond to urgent letters from elected officials in Simcoe county.

The warden of Simcoe county has indicated to me that over the past seven months she has written a total of six letters to several officials in the government, including the Minister of the Environment, the Minister of Municipal Affairs and the Minister of Revenue, requesting their consideration of a number of serious situations that have arisen as a result of the county of Simcoe's assumption of waste management responsibilities. To date, the warden has received only two acknowledgements of the six letters.

In the Premier's throne speech he said: "My government will open Queen's Park to those who have never before had an effective voice in the corridors of power. It is a government that will listen to the people and respond to the needs to the best of its ability." Apparently the ability of several of his ministers leaves much to be desired.

I suggest the lack of courtesy exhibited by the ministers in responding to the concerns of the warden of Simcoe county, to individuals in my riding of Simcoe East and even to correspondence from me is forcing the people of Ontario to operate in isolation, without the appropriate direction or guidance from the government. Last week I delivered two letters to two different ministers, the Minister of Labour and the Minister of Transportation, and they immediately got back to me with those.

I tell the Premier I think there is a problem within the ministries of the ministers not getting the letters, and I would ask him to look into it.

CANADIAN WOMEN'S ARMY CORPS

Mr Mills: It gives me a great deal of pleasure to stand in the House today and pay tribute to the Canadian Women's Army Corps as it celebrates its golden jubilee in 1991. I would also like to recognize the fact that the Minister of Government Services attended their 50th anniversary banquet recently.

The Canadian Women's Army Corps was formed on August 13, 1941, to perform services during the Second World War. During that war, 21,614 women, embracing 10 nationalities, answered the call for volunteers. Their commitment, by today's standards, was rather stiff. They made

agreements not to marry for six months, to wear their hair above the collar, to abandon all finery and to work long hours and be subject to military discipline.

Time marches on, Mr Speaker, and no one is more aware of that than you and I. Today, most of the former members of the Canadian Women's Army Corps are grandmothers. I ask all members of the Legislature to join in paying a tribute to the members of the Canadian Women's Army Corps, who in the bloom of their life made a significant contribution to ensure the freedom we all enjoy today.

1340

ENVIRONMENTAL PROTECTION

Mr McClelland: When one assumes a new role as critic, it is remarkable what a fresh perspective can bring to old material. I thought it would be interesting, and I hope you will too, Mr Speaker, to review some of the Premier's correspondence from the election campaign of just over a year ago.

This particular letter is dated August 14, 1990, and is addressed to organizations such as Pollution Probe, Greenpeace and others. These are all statements the NDP supported: "zero discharge of all toxic chemicals into the air and water by the year 2000; a ban on toxic organochlorine dumping by the pulp and paper industry by the year 1993; an immediate ban on municipal garbage incineration; enact the environmental bill of rights immediately; legislation requiring that all containers be refillable; tough packaging laws to eliminate excess packaging; no new nuclear reactors in Ontario, a plan for energy efficiency and a phase-out of existing reactors; an immediate ban on CFCs in flexible furniture foam and rigid insulation." There is an awful lot of use of the word "immediate."

Yes, all of these were statements that the then member for York South made in August 1990. The letter is signed by Bob Rae and ends with this statement: "I hope these commitments indicate to you that an NDP government would take firm, timely and decisive action to achieve the eight proposals you have put forward."

I simply remind the government that the public is watching, and we are still waiting.

HEALTH INSURANCE

Mr Jackson: I call to the attention of all members of the House yet another example of gross insensitivity towards Ontario's seniors by the NDP. The Ministry of Health has decided it will no longer cover the drug persantine as a non-formulary interim Ontario drug benefit after October 31 of this year. Persantine is a continuous-use drug on the market since the 1960s which normalizes platelet survival in patients with prosthetic heart valves and which was covered for many years as a safe and effective medication for angina and other related heart problems. In other words, it is a drug used by senior citizens.

The NDP decision to discontinue coverage of persantine was made without any consideration for the wellbeing of those seniors who will now have to bear great financial difficulty to obtain this drug, or who may even be forced to forgo the drug altogether.

The Minister of Health this week took over complete responsibility for long-term care in Ontario. That minister should be ashamed of her actions, which seriously compromise the health care of seniors. Where is the NDP minister responsible for senior citizens' affairs in all of this? Is that strangely silent seniors' minister even aware of what is going on here?

This is the second time this week I have stood in the House to speak on this government's socialist slight against seniors. We now know that NDP OHIP cutbacks will force seniors to buy expensive, unregulated private insurance. It would now seem that the Premier should just put out a sign on his front office door that says, "Seniors Are Not Welcome."

I call on the Minister of Health to reinstate coverage for persantine immediately. The NDP says it is listening. It is now time for the Premier to begin hearing what vulnerable Ontario seniors are telling him about their critical health care needs.

NON-PROFIT HOUSING

Mr Dadamo: As the member of the Ontario Legislature representing the riding of Windsor-Sandwich, I am pleased to inform members of this House that the Windsor Young Men's Christian Association residence has been given the go-ahead by my colleague the Minister of Housing to begin developing plans for the 50 non-profit housing units for singles as part of the Ontario non-profit housing program.

As well, the very dedicated community-based group is among the first to be selected to produce non-profit housing as part of the Ontario non-profit housing program announced in last spring's budget. The goal of this program is to produce 10,000 affordable housing units right across this province.

The non-profit housing sponsors will take out mortgage loans to pay the capital costs of the housing and the province will subsidize the annual operating costs. The housing will have tenants with a mix of incomes. Those with the lowest incomes will pay rents based on their incomes while those with higher incomes will pay rents based on comparable accommodation in the local private market.

Those eligible to apply for non-profit housing include families, senior citizens, single people and of course people with disabilities and refugee claimants. Once final plans have been approved by the ministry, construction will commence, enhancing our government's goal of economic renewal.

I would also like to extend my warmest congratulations to the executive at the Windsor YMCA for a job well done in securing these 50 non-profit housing units for singles, a welcome addition to my riding of Windsor-Sandwich as well as to the city of Windsor.

INVESTIGATION INTO RELEASE OF DOCUMENTS

The Speaker: On Tuesday of this week, the Leader of the Opposition (Mr Elston) rose on a question of privilege concerning a visit by police officers to his office in the Parliament Building. He was of the view that the visit was

preventing him from carrying out his work and that it infringed the rights of the minorities in this House.

This matter is covered by paragraph 45(1)2 of the Legislative Assembly Act, which provides that the assembly may find that it is a breach of privilege or a contempt to obstruct, threaten or attempt to force or intimidate a member of the assembly.

Having had an opportunity to review Tuesday's Hansard and the relevant parliamentary authorities, I find that a situation whereby outside police authorities interview a member in his or her parliamentary office, in the case at hand, does not amount to intimidation or obstruction in the parliamentary sense of those words.

While the Leader of the Opposition has not established, in my opinion, a prima facie case of privilege, this does not end the matter. I am concerned about how this incident affects other areas of the law and custom of Parliament. Therefore, let me make some remarks and give some directions concerning the proper procedure that must be followed by police forces seeking to interview someone in the legislative precinct. In doing so, I am cognizant that there is no rule or precedent of this assembly on this specific point, and accordingly I have carefully canvassed the parliamentary authorities with respect to the practices and procedures in other jurisdictions.

Maingot's Parliamentary Privilege in Canada states the following at page 146:

"The exclusive privilege of the House to regulate proceedings within its own walls must be respected. 'It is well established that outside police forces on official business shall not enter the precincts of Parliament without first obtaining the permission of Mr Speaker.' To this limited extent, the law and custom of Parliament prevails over the general law. The Sergeant at Arms or a member of the protective service should accompany police officers while officially in the building in assertion of parliamentary authority and to prevent police 'fishing expeditions.'"

The second edition of Australia House of Representatives Practice states the following at page 164:

"Police may not enter Parliament House for the purpose of interrogating anyone or executing a warrant without the express consent of the Speaker or President. There are a number of precedents of such consent being granted in the case of police wishing to interview members. In commenting on one such incident, the Speaker stated:

"'To avoid any misunderstanding as to the powers of the police in this building, I draw to the attention of the House that it is accepted as part of the Parliament's privileges and immunities that the police do not have a right to enter the Parliament building without the prior knowledge and consent of the President and/or the Speaker. The police officers who visited the honourable member yesterday sought my permission to do so before coming to the building.'"

It is clear then that police forces cannot, as of right, interview an occupant of the legislative precinct; they have first to obtain the consent of the Speaker.

I might say to members that there has not been a ruling on this point by any previous Speaker of this assembly because there has never been a request to do so. Now that the procedure has been set out in this ruling, I want to

caution interested persons that failure to comply with this procedure in the future may constitute a breach of privilege or a contempt.

1350

PERSONS DAY

Hon Mrs Boyd: With the unanimous consent of the House, I would like to take a moment to recognize Persons Day.

The Speaker: Do we have unanimous consent?

Agreed to.

Hon Mrs Boyd: On October 18, 1929, 62 years ago tomorrow, a 12-year struggle to win equality before the law for Canada's women came to an end when England's Privy Council overturned our own Supreme Court and proclaimed that, yes, women were persons too. What the council was ruling on was whether Canada's five million women—in 1929 almost half the population—were to be included in the legal definition of this word and would therefore be eligible for appointment to the Senate.

This battle was waged by five indomitable personalities, Emily Murphy, Nellie McClung, Louise McKinney, Irene Parlby and Henrietta Muir Edwards, all dedicated advocates of women's rights. Their vision of the full implications of personhood for women persuaded them to take their case to the highest court in this land, and then on to the Privy Council in England.

It is important that we remember and honour the vision and staying power of Alberta's Famous Five, not only out of respect for our history, but out of respect for the constitutional process being undergone in Canada right now. As we stand at another turning point in Canada's affairs and our country works to resolve pivotal constitutional issues, it is important that women, aboriginal people and other marginalized minority people continue to make themselves heard in the constitutional process. The same qualities of vision, tenacity and clear and original thinking demonstrated in the personhood case are urgently needed today as this country seeks to constitutionally perfect itself.

I know this is no easy task, but the stakes are high and so will be the rewards. As we stand to celebrate Persons Day, we know we will all benefit by those who show the same spirit and determination that propelled Canada's women to personhood.

Ms Poole: The Liberal caucus is pleased to join the minister in celebrating the 62nd anniversary of Persons Day. I know it must be amazing to many members of this House that for almost the first third of this century, women were not recognized as persons under our Constitution and under our laws. As the minister mentioned, it took 12 years of concerted effort by the Famous Five, led by Nellie McClung, to win recognition from the British Privy Council that the concept of persons being limited to men was irrelevant.

Those of us who today enjoy all the advantages of personhood, including the right to serve in this Legislature, owe a great deal to those women who worked so hard for so long to advance the cause of women. As I mentioned, one of those Famous Five women who fought for us to be recognized as persons was Nellie McClung. I am sure

members are familiar with the enormous contribution she made to the early women's movement in Canada.

I have a favourite story about Nellie McClung and how she fought for the right of women to vote in Canada. Members have to remember that at the turn of the century, the Dominion Elections Act stated, and I will quote: "No woman, idiot, lunatic or criminal shall vote." Nellie McClung did not think this was too fair, so she and an intrepid group of women in 1914 set out to challenge the Manitoba Legislature. She approached Premier Roblin and demanded that women be given the right to vote. The Premier of the day, Mr Roblin, dismissed their arguments by saying: "Now you forget about all this nonsense about women voting. Nice women don't want to vote."

Nellie McClung and her supporters decided that humour and laughter might be the best way to get action from the government, so the next night, at a theatre in Winnipeg, the women staged a mock Parliament in which all members were women and Nellie McClung was the Premier. However, their roles were reversed in this Parliament and it was the men who were asking for the right to vote. Mrs McClung simply used the same arguments that Premier Roblin had used, in reverse. She said: "If men are given the vote, they will vote too much. Politics unsettles men. Unsettled men mean unsettled bills, broken furniture, broken vows and divorce. Men cannot be trusted with the ballot. Men's place is on the farm." Two years later Nellie McClung won the first right of women in Canada to have the vote, in Manitoba.

We owe a great debt to women like Nellie McClung and our early pioneers, who not only established that we are indeed persons, but also that we have the right to vote and fully participate.

While the "persons" decision was not a recognition at the time that men and women were equal, it was certainly a pivotal step in the women's movement. It was a breakthrough making way for the battles we still fight today for pay equity, child care, freedom of choice and the ability to live free from the threat of violence in our homes and communities.

Today as we celebrate that remarkable victory, that Privy Council decision that established what really should have been self-evident, that both men and women are indeed persons, let us show our gratitude to our pioneer women who led and blazed the way for the rest of us.

Mrs Marland: It is a privilege to rise on this occasion on behalf of our caucus. Tomorrow marks the 62nd anniversary of the "persons" case, that historic decision by the Privy Council of Great Britain which declared that women were in fact persons and were eligible under the Constitution Act, 1867, to become members of the Senate of Canada.

The Privy Council's decision overturned a unanimous decision of the Supreme Court of Canada in 1928 that women were not "persons who could hold public office as Canadian senators" because of the terms of the Constitution Act, 1867, and the historical incapacity of women to hold office under common law. In making its decision, the Privy Council called the exclusion of women from public office "a relic of days more barbarous than ours."

The decision on the "persons" case was the result of the efforts of five Alberta suffragettes: Henrietta Muir Edwards, Nellie McClung, Louise McKinney, Emily Murphy and Irene Parlbay. Today is a fitting opportunity to pay tribute to these remarkable women and to the countless others who have worked to remove barriers to equality for Canadian women.

Certainly, as we look around us at the women in this chamber and in the Legislative chambers across our country, we see evidence of the progress women have made in politics. But we cannot congratulate ourselves yet. Women have not achieved equality in Canada, politically, economically or socially.

In this Legislature, for example, only 28 of 130 MPPs, or 21.5%, are female. In the House of Commons women make up just 39 of 295 MPs, or 13.2%. Women who have been elected often recall how difficult it was to obtain the financial support required to run for office, or how draining it is to juggle political and family life when in many cases they still carry a disproportionate share of the responsibility for raising children and running a household.

Canadian women still make, on average, just two thirds the salaries of their male counterparts. More than 1.5 million Canadian women live in poverty. Most disturbing is the link between poverty and motherhood: 75% of never-married single mothers raise their children in poverty.

All women, no matter what their economic status, live with the spectre of violence. One woman in four will experience sexual assault in her lifetime. Vulnerable women, such as the frail elderly and those with disabilities, are especially in need of protection from violence. I was horrified to learn that a recent study by the Toronto-based Disabled Women's Network shows that 73% of the disabled women surveyed have been victims of violence, while 96% of these victims have experienced sexual assault.

1400

Until women no longer live in fear of attack, until women are not subjected to sexual harassment, until women's salaries equal those earned by men, until single mothers receive the community and financial support they need to conquer poverty, until women can count on men to share the responsibilities for raising children and housework, until all this and much more, we cannot celebrate equality. But we can celebrate the gains we have made since the "persons" case. We can celebrate the fact that today our daughters can become politicians or, if they prefer, scientists, judges, welders or doctors.

Tomorrow morning, LEAF-Toronto will hold its fourth annual Persons Day breakfast. LEAF, which stands for the Women's Legal Education and Action Fund, is a national non-profit organization which litigates precedent-setting equality cases and provides public education on issues of gender, equality and justice. I want to congratulate the members of LEAF for their vital work towards achieving equality for women.

While it is impossible to name the many persons and organizations which have followed in the steps of Henrietta Muir Edwards and her companion suffragettes, we thank them all. While government can and must be a leader in achieving equality for women, it is the work of

private citizens like the suffragettes or the members of LEAF which can change public attitudes so that Persons Day becomes an occasion of celebration without qualification.

INVESTIGATION INTO RELEASE OF DOCUMENTS

Mr Bradley: On a point of privilege, Mr Speaker: I have had an opportunity to reflect briefly on your statement which affects the parliamentary precinct as it relates to the use of the police by the government against members of the opposition. While I appreciate the fact that you have, through your statement, it appears, extended your authority and perhaps the authority of the Clerk in order to be notified of the police coming on to the parliamentary precinct, the concern that members of the opposition have quite obviously is not only the parliamentary precinct itself, but that the police would be coming to the homes of members of the opposition or to other offices outside the parliamentary precinct whenever the government deems it appropriate because some information has escaped from the government.

We have had two examples, at the very least, of members of this House—the member for Halton Centre and the leader of the official opposition—who have had visits from the police. I suggest to you, Mr Speaker, that while it is both technically and in your interest a matter of interest that they are having those visits within the parliamentary precinct, our concern is that every time there is an opportunity to open up information, to have open government, to see democracy flourishing at its best, members of the government will send the police in to investigate members of the opposition or members of the news media or anyone else who happens to come into possession of information that is interesting to the public and that certainly the public has a right to know. That is the concern that we in the opposition have.

The Speaker: I appreciate the matter that the member for St Catharines has brought to my attention. I am pleased to review the matter once again. I do not believe the authority of the Speaker extends beyond the precinct and the building and the grounds. None the less, I am certainly pleased to review all of the circumstances one more time.

Mr Stockwell: I too would like to raise concerns about that very same issue. I am very disturbed by the actions the government has taken on this and in past practices in connection with the police and the use of the police against opposition parties. I would suggest that if the government today were in opposition and this had taken place, the reaction would have been very strong and very concise.

I am opposed. I think it is clearly harassment and intimidation, no less than harassment and intimidation, by a government that has prided itself in the past on full and open public disclosure. I find it shocking that a socialist government such as the one we have today would even consider sending the police into the opposition parties' offices for a spin document. That is what has been suggested, a spin document.

I have very grave concerns, if it were really a document that had some teeth, some document that was rather important, about what this government would do to get to the bottom of how that document was in fact leaked. I feel

very certain that if they are prepared to send the police into our offices over a spin document—and I ask you to rule on this again, Mr Speaker, in backing up the point made by the member for St Catharines—it would not surprise me at all if they would send the police to our homes and to other places of business. I am not so sure how far they would go.

I am greatly disturbed by your decision, Mr Speaker. I am greatly disturbed by the Premier's attitude. If it were me they had sent the police to, I would be very clear. If they ever sent the police into my office or my home, I would charge them with intimidation and harassment and I would get them in court. I think you should look into that as well.

The Speaker: I am not sure if the member for Etobicoke West was present in the chamber at the time I delivered my ruling. I have dealt with the matter with respect to visits by police officers within the precinct. Of course, while I am taking a look at the authority for the Speaker as it pertains to not just the precinct but beyond, if members have specific instances of visitations by the police to their residences or offices, they may wish to bring those to my attention. I will take a close look at this matter once again and will report back to you at the earliest moment possible.

Mr Elston: Mr Speaker, this has been a troubling week for me in many ways. I heard your ruling and I support your ruling. I have no questions or qualms about that. In this instance you have decided, on the basis of your examination, that there was no intimidation intended. My view is somewhat different than yours, and that opinion, of course, can rest between you and me having examined the facts in a different manner.

While you have indicated that a request for a visit must now be made to you, at least in these precincts, I want to ask you a question for your consideration while you think on other things and perhaps provide us with some detail later of how you will make a ruling or an understanding about the request and its intent when a request is brought to you by the Ontario Provincial Police or any other police force this government directs to inquire into the activities of opposition party members.

I would ask you in that regard to provide us with an explanation of what you will require to ensure that we are not being intimidated, and that in fact the intimidation is not perhaps being directed so much at us, but directed through us to the public servants who believed it was within their ambit of responsibility to the public to make available to the public information which needs to be known, so that we can protect the openness and the interest of our democratic institutions here.

I will not go on much longer except to say that by having the police visit the people who would expose the information, it is my sense—

Hon Mr Laughren: Are you a lawyer? You're not a high-paid, high-powered—

Mr Elston: Although the 20-year veteran from Nickel Belt, the storyteller of fabled proportions over there, is sort of interjecting, I have to tell you, Mr Speaker, that it is my

view that we are being used as an example of what will happen to some public servant who does whistle-blow.

I want to say further, in line with the government's release through the auspices of the minister who is in charge of Management Board of the discussion paper on whistle-blowing, that you be particularly interested there in examining what is required to ensure that the public interest is maintained or at least the discussion that follows that.

Perhaps you could provide us, Mr Speaker, with the guidelines you will use to see that we will not be abused, at least in the precinct and perhaps in other places, which I presume might include the constituency offices because they do in some ways fall under the Legislative Assembly, although I know that is a point of academic interest at the moment and not fully determined.

As I say, I only do this because I am troubled beyond belief about what is taking place here in the House in this province and the fact that the Premier decides not to answer questions or to make himself available when occasions are extremely important and contentious.

1410

Hon Mr Cooke: Mr Speaker, I would suggest this is on a different point but a related point. I would ask you to look at the record for this afternoon and the accusations that have been made by the Leader of the Opposition that the government directed a police investigation, that the government was involved in intimidation of members of the assembly by the use of the police. I think those are accusations that are completely out of order and they should be ruled out of order and withdrawn.

Interjections.

The Speaker: Order.

Mr Elston: You know exactly why these police investigations are going on, Dave Cooke. You know darned well and you know that the Premier has known about them for a long time.

The Speaker: Order. Would the members come to order, please.

Interjection.

The Speaker: I ask the Leader of the Opposition to come to order, please.

Mr Chiarelli: The time has come to do what you preach. It is dishonest government.

The Speaker: First to the honourable Leader of the Opposition—

Interjections.

The Speaker: Order. When serious matters are brought before the House, we are not aided by intemperate language.

Interjections.

The Speaker: The member for Ottawa West in a calmer moment might wish to rephrase his comments and to withdraw what he just said.

Hon Mr Cooke: On a point of order, Mr Speaker: The member cannot simply accuse this government of being dishonest and not withdraw it. He has got to withdraw.

The Speaker: The member for Ottawa West.

Interjections.

Mr Chiarelli: I should say, Mr Speaker, that they do not practise what they preach and it is a very secretive government. Thank you.

The Speaker: Is that a withdrawal? I caution members, before we proceed any further, that obviously this issue is one that has evoked some emotion. Unfortunately often with emotion comes language which we wish later we had not used. It is helpful when members who in a calmer moment, more reflective moment, realize that they should not have said something that they did simply use the words, "I withdraw." Then we can move on with the business and try to conduct our public business in a little better way.

I would ask the member for Ottawa West if he would simply say, "I withdraw," and then we can move on and conduct our business.

Mr Chiarelli: I withdraw, Mr Speaker.

The Speaker: There are two issues which have been brought to my attention. First to the honourable Leader of the Opposition—

Mr Conway: It is fine for Bob Rae and Morty Shulman and Ed Ziemba and Dave Cooke—

The Speaker: Order. The member for Renfrew North, please come to order.

Mr Conway: I want to say, Mr Speaker, that it is very difficult to take a lecture from the Dave Cookes, the Morty Shulmans, the Ed Ziembas—

The Speaker: The member will please sit down.

Interjections.

The Speaker: Order. I ask the members to please come to order. I cannot believe this exchange of harsh words is helpful and I ask members to please exercise some restraint. If the House will come to order, I will address the two matters brought to my attention.

First, the honourable Leader of the Opposition makes a very fair and reasonable request and I will attempt to provide as quickly as possible the details that quite naturally follow from the ruling I made earlier this afternoon. I will provide those details to all members of the House.

Second, the government House leader has brought to my attention a concern and I will examine Hansard to see precisely what was said. Often it is not simply the words but the tone and the context in which words are used that help to create disorder in the chamber and that is always a concern to me. If members are now at least a notch or two more calm than previously, perhaps we can move on with the public business.

CORRECTION

Mr McGuinty: It has been brought to my attention that when I made my statement a few moments ago I may have made reference to the standing committee on government agencies. If I did so, I simply want to note for the record that it was my intention to refer to the standing committee on general government.

INVESTIGATION INTO RELEASE OF DOCUMENTS

Mr Phillips: Mr Speaker, back on your ruling: Because you are planning to look into it further, I will say to the House it has been a matter that my caucus will tell you has disturbed me as much as any matter I have seen here in four years. My concern is that we have now had, if I understand it properly, two examples where ministers have launched, I gather unilaterally, police investigations that involved interrogation of the opposition.

It is very troubling to me, Mr Speaker, and I would ask that in your investigation you determine on what basis the government has the authority to launch these investigations. Is it up to each minister to determine whether he or she shall launch a police investigation? On what basis do they have that authority?

The Speaker: I appreciate the concerns brought to my attention by the member for Scarborough-Agincourt and of course note with some interest the concerns he raises. I will attempt to get as much information as is relevant and possible to obtain.

STATEMENTS BY THE MINISTRY

TEACHERS' PENSION LEGISLATION

Hon Mr Silipo: I am pleased to advise that later today I will introduce legislation to amend the Teachers' Pension Act. I believe this legislation will become a model of the kind of partnership this government wants to build. It will establish a framework for the Ontario government and Ontario's teachers to manage the Ontario teachers' pension plan as full and equal partners. That partnership will start on January 1 of next year.

The legislation provides for equal representation of the province and the teachers on the Ontario teachers' pension plan board. It gives teachers an equal say in the investment decisions of the pension plan and an equal share of future surpluses or deficits.

It gives the partners a formal process for negotiating changes to the plan every three years. Changes to benefits and contribution rates may be negotiated as part of this process. If the partners cannot reach agreement on benefits and contributions, these two issues may be submitted to binding arbitration.

I am also pleased to inform members that at the request of both partners, the current chair of the Ontario teachers' pension plan board, Gerald Bouey, has agreed to continue serving in this position. Both partners will look to Mr Bouey to continue providing the leadership that has already contributed to the building of our partnership and to the financial soundness of the plan.

In conclusion, let me also convey my appreciation to my predecessor, the member for London Centre, who recently took on the portfolio of Community and Social Services. She played a vital role in bringing government and teachers together on this issue.

I also want to note the presence in the gallery of representatives from the Ontario Teachers' Federation: Ron Poste, the president; Margaret Wilson, the secretary-treasurer, and Ruth Baumann, legislative liaison.

I am proud to bring this legislation before this assembly. It is the result of both partners' commitment to fairness and co-operation. I believe this bill deserves the support of all members and I ask that they give it their full consideration.

1420

RESPONSES

TEACHERS' PENSION LEGISLATION

Mrs Y. O'Neill: I would like to respond to the statement of the Minister of Education and begin by stating how happy I am that Mr Gerald Bouey will continue as chair. This man has outstanding leadership qualities. Indeed, the original piece of legislation that came in 1989 broke new ground and has had a strong foundation under this man's leadership. I also congratulate those who have served on both sides to this point.

I and my party feel this is a progression from the act of 1989. The option of partnership has been taken fully at this point. Partnership, at every step of the way, always assumes co-operation and respect and we want that in any dealings we have with each other, whether government and associations or indeed one on one. For that we wish this partnership well, because partnerships tend to be healthy.

The commitment of this government to pay off the initial unfunded liability remains intact and that also makes me happy. There is now a full acknowledgement of a responsibility for a deficit that had been at question, may I add, and now this deficit is fully acknowledged to such an extent that the Treasurer last week indicated that one of the reasons we would have to put some stops to spending at this moment was the \$215-million need of this pension fund.

There are cautions that I would still like to make on behalf of our party. Arbitration is part of this agreement. Arbitration, as any of us who have done collective bargaining know, assumes an adversarial atmosphere. It often also removes the responsibility for decision-making from those who are accountable and I have certainly seen it in personal experiences. That is a strong concern of mine and of my party, that the taxpayers of Ontario now will have very little in the way of responsibility for financial issues that go to arbitration. I am not saying this always happens, but arbitration sometimes encourages parties, when decision-making gets tough, to remove it to another level.

Negotiating benefits and contributions every three years: There is a real possibility that deficits will be present when this is fully implemented in 1997. Indeed the Treasurer is projecting deficits in the Ontario economy and this fund is not removed totally from the economy. This could result in the limitation or capping of teachers' benefits or an increase in contributions. I think those fears have to be brought forward. I certainly hope the investments of this fund will be wisely and well placed, and that they will be fruitful. I am sure all parties want that.

Retired teachers have already come to me, and to other members of this Legislature I am sure. They again have fears. They have devoted their lives to the children of this province, but they have fears that the contributions they

have placed in this fund are now going to be in jeopardy if the right decisions are not made. I think it is the responsibility of this government, and certainly of the teachers' federations in this province, to allay the fears of these teachers, because they have earned these benefits.

I wish this partnership well. There are certainly cautions, and I think they have to be made public. I am sure that will happen. Mr Bouey and his board, I know, have a challenging task before them and we wish them well in their efforts.

Mr Bradley: What I will be concerned about is that, because we heard a promise from the government that it was going to assume 60% of the cost of education, on average, across Ontario by the Ministry of Education, the minister would not be counting, of course, the contribution to the teachers' superannuation fund as part of that 60%.

I noted this year in the transfers that contrary to what I heard in the election campaign and contrary to what I saw on some school bulletin boards across Ontario, the NDP has in fact decreased the amount of money in terms of the percentage to the cost of education in its last transfers. We have just heard from the Treasurer and other prophets of doom and gloom on the other side that those transfers are going to be minuscule in this year. I hope the minister does not play this little smoke-and-mirrors trick that I suspect his colleagues will be advocating.

Mr Jackson: I thought when the member for St Catharines rose that he was going to lament the fact that he is no longer a teacher and that he was going to deeply regret that he was no longer a contributing member to the Ontario teachers' pension plan. However, he had other comments to make which we all listened to with appreciation.

With a small sense of history, I certainly want to acknowledge how pleased the new Minister of Education is that he is able to stand in the House in the week he has become the new Minister of Education, announcing a substantive adjustment in the approach to pensions in this province. But he cannot share the same sense of excitement and thrill as we hear that there are about 300 or 400 University of Toronto students outside at this moment demonstrating. The fact is that all is not necessarily well in public education in this province, and the work ahead of this minister and his government will be rather extensive.

However, what is important is that it is clear that a year and a half ago in this House both I, on behalf of the Progressive Conservative Party—and I would like to acknowledge Mr Karl Morin-Strom, the former member for Sault Ste Marie, who provided leadership for his party in the debate with the then Liberal government on this issue. My respect for Mr Morin-Strom is well known. We worked closely together to fight for some of the principles that have found themselves in this bill.

The fact is that a year and a half ago the teachers' federation made good on its threat that it would bring down the Liberal government of Ontario on this issue. Today we know it was successful in its threat to that Parliament and to that Legislature. But what is important to note is that within several months of being in the government, the Treasurer, a former very well acknowledged teaching professional in his own right in his day, was able

to convince his cabinet that the teachers' pension fund should be enriched by \$200 million from the general legislative grant top-up to \$800 million and that an additional new injection of \$240 million would be allocated.

One of the very first decisions made was to transfer that \$450 million. There were some on the Liberal side—I should not make excuses for them—but there were some over on that side who missed the point that it is one of the reasons the Liberal projections were off. As the Treasurer knows, that transfer was made the day before the last day of the fiscal year, and it was a very clever move. It did not go unnoticed on my part. The Treasurer essentially made the Liberals pay politically for his decision to honour his commitment from the last election. I thought it was a stroke of genius and he is to be commended for that kind of bookkeeping.

I would also like to suggest today that when we were in a minority government situation in 1985 and 1986, the Conservative Party approached the issue of binding arbitration when it dealt with a couple of issues in this House. In the minority government situation, both the NDP and the Liberals voted against it. I believe the NDP will revisit its record of voting. The NDP House leader was intimate with these votes. Certainly pharmacists were not allowed to go to binding arbitration on matters relative to the government's control of rate regulation. The doctors in the balanced billing debate—

Hon Mr Cooke: Not true. We moved it; you voted against it.

Mr Jackson: I tabled the amendment. The member for Windsor-Riverside knows I tabled the amendment and he voted against it.

We are encouraged that the NDP is finding that some of the policy positions we have taken are worthy of support, and certainly we are delighted that a greater sense of equity and a greater partnership has been approached. But it must be a sad day for the Treasurer, having made the decision to transfer these moneys, that he cannot make true on the statement in the throne speech that the corridors of power will be more accessible to those who have not previously had access to them, because there are costs associated with this decision. Pension reform for the average Ontarian will not be pursued by this government, and there are some expenses to the kinds of decisions implicit in today's announcement.

1430

LAND REGISTRATION

Mr Tilson: Mr Speaker, I wish to rise on a point of privilege. I served you notice that I wished to speak at this time. As you will remember, I rose last week, Thursday, October 10, on a point of privilege dealing with what I felt is a contempt of the Legislature and its committees. In your ruling on Tuesday, October 15, you stated that this was a matter that is before the standing committee on general government and ought to be settled in the committee, not in the House, and that the committee may make a report to the House.

Earlier this afternoon in the general government committee, a motion to refer this matter to the House was defeated by the government members of the committee.

The reason I am rising on this point of privilege on this particular point once again is that I feel it is an extremely serious matter that goes beyond the purview of the general government committee. If this matter is allowed to go unchallenged, it will have wide-ranging implications for all legislative committees and this dark cloud will continue to hang over this House.

By defeating the motion to refer this matter to the House, the government members of the general government committee have signalled to all future witnesses who come before legislative committees that the process is nothing but a sham. The perception elucidated by the lawyer for the Ministry of Consumer and Commercial Relations that committees are nothing but political window dressing and have no consequence will be allowed to stand.

Surely, Mr Speaker, you can see the inherent danger in allowing this perception to stand. The validity and relevance of all committees will be diminished, along with every member's ability to perform his or her duties as legislators. This matter affects all members of this Legislature. It is not so much a single occurrence where a contempt of this Legislature was shown; it has implications for all members and if not dealt with will surely hamper the abilities of this Legislature, its committees and all members. I believe all chairmen of the committees will be continually faced with this criticism, as will all members of this House.

Given the implication of this alleged contempt, Mr Speaker, I urge you to rule that this is a *prima facie* breach of privilege, and I will be pleased to move a motion referring the matter to the standing committee on the Legislative Assembly for further investigation.

Mr McClelland: I had sent you notice, Mr Speaker, that it was my understanding the member for Dufferin-Peel would be raising this issue with you, and I would like to add, simply from our party's point of view, the following. I think it has been well stated by the member for Dufferin-Peel.

As you know, Mr Speaker, I serve as a member of the standing committee on the Legislative Assembly and have served from time to time on other committees and I expect will do so in future for the while I am here. I think the point was very well taken by my colleague the member for Dufferin-Peel that it calls into question the efficacy and the effectiveness of any individual who comes before a committee in the future.

I remind you, sir, that committees not only have the power to and do meet around the province from time to time to hear the citizens of this province, but have the power to compel their attendance. If the cloud that I think has been raised in terms of the perception of individuals who are compelled to attend or who attend willingly remains, the operation of each committee of this House and the standing committee on the Legislative Assembly, on which I serve, is called into question.

Mr Speaker, I refer you to section 1(b) of the standing orders of the Legislative Assembly. I have reviewed the order. I do not find anything that deals with this matter particularly, but it gives you broad scope to review the matter and to look at precedent and to make a judgement based on the information that has been put before you.

The difficulty is this, Mr Speaker. You made a ruling and referred it to a committee and asked the committee to report back to you. The committee did not follow your instructions. It came to you in the first instance. It went to the committee and you directed it to bring a report back to you. It has been sidetracked. They have done indirectly what you, sir, dictated they could not do. I ask you to review that in the chronology of events and rule, bearing in mind the implications for each and every member of this House and each and every member of the citizenry of Ontario who will appear before committees of this House in the future.

Mr Drainville: Mr Speaker, I just want to speak very briefly to the point that has been raised by the two honourable members who have stood up in the House. In terms of the general government committee, I want to be very clear about this, Mr Speaker. You said in your remarks to the House that this was an issue that has to go back to the committee because it should be dealt with by the committee, and the committee may report back to the House. That is the specific quote: "...may report back to the House."

I want to say, Mr Speaker, it is very clear that when we discussed this issue today—

Interjections.

The Speaker: Order. Two members brought to my attention a matter which they consider to be quite serious and I was able to listen to those two members. The same courtesy must be extended to the member from the government side who wishes to make his point to the Speaker.

Mr Drainville: All I am trying to say, Mr Speaker, is that as we dealt with this in the committee today, as per your instructions, we reviewed the situation. Our side, the government side, put forth a motion which was passed in the committee today, and basically that motion dealt with the situation in a way we believe to be expeditious and advisable at this time. Following your instructions, Mr Speaker, we did not feel there was any need for any report back to the House, because, as I say, the direct quotation as you put it in the House was that we "may" report to the House. We did not believe there was any report to be made. Therefore, that is why we took the position we did. I think both the opposition members who have put forward their points of view do not deal with the substantive reality of what you said in this House when you made your remarks on that day.

The Speaker: To the three members who have addressed this issue and brought it to my attention, indeed I will be pleased to review the matter and report back to you at the earliest possible moment. It is certainly my observation that each Thursday members seem able to find some homework for the Speaker to do over the weekend, for which I am most grateful.

VISITORS

The Speaker: Before continuing, members may wish to welcome to our presence a former member of the assembly seated in the members' west gallery, the former member for Cornwall, Mr Luc Guindon.

Mr Elston: We might also want to welcome Mr Bob Hawkesworth from the belle province of Alberta, a member of the Legislative Assembly, who is also here. He and his spouse are seated in the members' east gallery. The members might want to take note of that.

1440

ORAL QUESTIONS

SALARY OF ONTARIO HYDRO CHAIRMAN

Mr Elston: I wish to place my question to the Minister of Energy, who has the courtesy to be here with us today. When trouble brews, I have to say it is nice to see a minister coming and answering questions when they are put, not passing them off and running away from being in the House where the questions of the day have to be dealt with.

Mr Bradley: Who isn't here? The Premier?

Mr Elston: We have kindled somebody's interest in this. There is one notable absence among the eight or nine others who are not here.

I have a very simple question for the Minister of Energy. Will the Minister of Energy guarantee to the public that Mr Marc Eliesen will not receive one cent more than his deputy minister's salary from the time he was appointed until the time the Ontario Energy Board rules that it has a certain view as to his salary limits?

Hon Mr Ferguson: As I have mentioned numerous times in this House during the past number of weeks, we have asked the Ontario Energy Board to look at the whole question of executive salaries for the people at Hydro. It appears at this point that this will be done prior to the Power Corporation Amendment Act being given royal assent, thanks to the unofficial opposition which has chosen to speak on the matter day after day. In answer to the question, we will be looking very closely at what the Ontario Energy Board has to say and we will obviously be looking at the recommendations of the Ontario Energy Board.

Mr Elston: I ask the minister one more time: Will he guarantee that there will be no retroactive cheque for Mr Marc Eliesen, since it is the cabinet, under the current authority, that must set that remuneration?

Hon Mr Ferguson: They have chosen to spend so much time on Bill 118, they ought to know by now exactly what the provisions of Bill 118 are. Quite frankly, Mr Eliesen is performing the duties of chair and chief executive—

Interjections.

The Speaker: Order. I did not hear the response. It is not for the Speaker to judge the response, but the Speaker must be able to hear the response.

Hon Mr Ferguson: Mr Eliesen, for quite some time, has been performing the duties not only of chair but also of chief executive officer of Ontario Hydro. Surely to goodness

the members opposite are not suggesting he should not receive the salary that goes along with that position.

Mr Elston: The government of the day is taking credit for the fact that Mr Eliesen receives only a deputy minister's status salary at the moment. Can the Minister of Energy guarantee that there will be no retroactive cheque, a second payment, a supplement to that salary?

Hon Mr Ferguson: The Ontario Energy Board will examine all the executive salaries at Ontario Hydro. They will, of course, put forward their recommendations. Quite frankly I think if somebody is performing a duty on behalf of a private or public corporation, whatever the case may be, he or she should receive whatever salary goes with that position. That is pretty clear. I think that is a basic rule of fairness that certainly the members opposite must agree with.

LABOUR RELATIONS

Mr Offer: I have a question to the Minister of Labour. The minister will be aware today that the All Business Coalition released an economic analysis of the impact of this government's proposed labour amendments. This analysis states that approximately 480,000 jobs and \$20 billion in investment could be lost because of these labour proposals. Does the minister not agree that the economic costs associated with his labour policies far outweigh the benefit they may bring to organized labour?

Hon Mr Mackenzie: The answer to that one is obvious. No, I do not agree with the member.

Mr Offer: For some unfathomable reason, the NDP members do not believe business when it tells them their policies are having a dramatic effect upon business confidence and its willingness to invest in Ontario. An example of this is in the cabinet submission which spoke about "neutralizing opposition," which spoke about "the narrow focus of business." People in the business community are asking the government to consult with them regarding the necessity of change and the impact that change may have on them.

Can the minister tell not only the All Business Coalition, but indeed the whole business community in this province, the reasons for his desire for change to the Ontario Labour Relations Act?

Hon Mr Mackenzie: I am pleased to do that for the member, to the best of my ability. The need for changes to the Ontario Labour Relations Act has been fairly obvious for some time. There have been no major changes since 1975, and the basic problem we have in Ontario is whether or not we want to change attitudes, given the tough economic times we are facing, and look for a more co-operative and less confrontational approach. That is exactly what is behind our look at changes to the Labour Relations Act. That is exactly what we are going to be doing with the discussion paper, which will be out very shortly.

Mr Offer: The minister shared his thoughts as to the need for change. That is exactly the concern many people in this province have. They have not been able to talk to the minister and his government as to the need for change and what it means to them. When the minister speaks

about consultation, it is just empty words when in fact he has already made up his mind. He seems to be unwilling to believe business when it states that proposals could mean the loss of approximately 480,000 jobs in this province.

It is our understanding that the Ministry of Labour has conducted similar research into the economic impact of the minister's proposals. As the minister will know, we have requested this information through the Freedom of Information and Protection of Privacy Act. Yet the ministry has denied us access to this information and delayed the release of it for 75 days. What is the minister afraid of? Will he release this information immediately and provide to the people of this province the research into the economic impact of those labour reform proposals he is going to be making?

Hon Mr Mackenzie: It is pretty hard to do that when we have not yet made the labour reform proposals the member is referring to. I think it might be useful to go through the process to date.

Mrs Caplan: Table the statistics. What are you afraid of? There will be 480,000 jobs lost. You couldn't be afraid of that.

Hon Mr Mackenzie: Can you get the squeak out of the House, Mr Speaker?

The Speaker: The member for Oriole will please come to order.

Hon Mr Mackenzie: I think it is worth going through the process we have gone through so far. We made it very clear that we were looking at changes to the Labour Relations Act. We had a committee from labour and a committee from business file their reports and their suggestions for changes to the Labour Relations Act. Those came back into the ministry. We then started to take a look at their views of what needs to be done in terms of changes to the Labour Relations Act and have produced another document which has now gone to cabinet.

Interjection.

The Speaker: Order, the member for Etobicoke West.

Hon Mr Mackenzie: Anybody who has taken a look at these documents—the first one was made available to anybody who wanted it and the second one was leaked—will know that there has already been a substantive change in the second document, which was the basis for cabinet to decide whether we would put out a consultation paper. That consultation paper will be going out shortly and it is that consultation paper which should become the basis for discussion, because it will much more clearly indicate the direction the government wants to go in.

Mr Harris: I too have a question for the Minister of Labour. He talks today about consultation. We heard from a group today representing 70% of the private sector employees in this entire province. They said that the way they view consultation with the minister is that if they are nice to him, if they speak nicely to the government, the government being the cannibals, it will eat them last. That is the definition of consultation.

The minister further says that he consulted with business and labour at the beginning. He did not. He did not

consult with business. The minister consulted with labour lawyers who have a vested interest in having acrimony between business and labour. The minister did not consult with business.

I have repeatedly asked for an impact study on the poor working men and women of this province. How many jobs would be lost as a direct result of the minister's proposal or how many jobs might be added as a result of the minister's labour proposals? The minister would not do that impact study. He was too busy being patted on the back by Bob White and the minister's labour buddies.

The All Business Coalition did the study for the minister. They had a reputable firm, Ernst and Young. This is a firm the government has hired and this is the firm the Treasurer wanted, an NDP firm. They are on the Fair Tax Commission. They are helping bail the government out of lots of things. They know that. The result is that an astounding 250,000 jobs are at risk.

1450

The Speaker: Order. Would the leader place his question, please.

Mr Harris: What does the minister have to say about that?

Hon Mr Mackenzie: At the same time the leader of the third party is asking for consultation and some co-operation between the parties, the statements and comments he makes certainly do not lead one to believe one could get a fair consultation process with his way of doing things. I also want him to know very clearly that the consultation paper, which will be out very shortly, will be the basis for any real discussion on what this government's intentions are in terms of Labour Relations Act changes.

Mr Harris: The minister can point the finger at me. I am quoting what business is saying about how comfortable it feels consulting with him. This is important as a measure of his consulting ability. That is what they are saying. This is a measure of the minister's success. I do not know why the minister will not do a job impact study. Maybe he does not care about jobs. Maybe as long as they are unionized, it does not matter how many there are. Maybe the non-union ones do not check off and give money to the NDP, so who cares. Maybe this is not their first priority.

We are talking about a group representing 75% of the employees. The minister has flipped them off with the back of his hand. Eighty per cent of those firms believe the \$20 billion they had planned to invest in the next five years is at risk and may go elsewhere and 90% are saying it is going to cost jobs.

The Speaker: And the interrogative part?

Mr Harris: Since the minister did not do his own study, does he agree with the results provided by the independent firm of Ernst and Young, a firm, as I have said, that the NDP has been quick to call on for other advice?

Hon Mr Mackenzie: As I understand it, the survey referred to today was based on the original Burkett document, as it is called, which is not the document this government is going with. What the leader of the third party should understand is that what we need and will try to do

with the consultation paper is constructive dialogue between the parties, not the scare tactics currently being used.

Mr Harris: This survey interviewed 250 chief executive officers across this province, many of whom are not getting paid as much as Eliesen is getting paid. This is the cumulation of those data. They represent more than 70% of the private sector jobs. They are telling us, as they told Ernst and Young, that one in four jobs are at risk, not because of free trade, not because of federal policies, not because of something beyond the government's control, not because of international forces, but because of something completely within the government's control. These are the ones who have survived the recession. They are still actually here. It does not talk about those jobs that will not come to Ontario, just the existing ones that have survived so far. One in four is at risk.

Does the minister not agree that now is the time to scrap the labour proposals he has on the table and get on with bringing business and labour together so that we can create some jobs? Then later perhaps the minister can argue about whether they should be unionized, but let's make sure we have some so that there is something to argue about down the road.

Hon Mr Mackenzie: I find it difficult when the leader of the third party continues to refer to a study that was used for the survey when the government has long since passed it in its own discussions and its own planning in terms of the Labour Relations Act. What is in that study, in many cases, is not what the government is going with, so I am not sure how he can use that as any real basis.

SALARY OF ONTARIO HYDRO CHAIRMAN

Mr Harris: I have a question for the Minister of Energy. Yesterday he said and today he has confirmed in his response to questions asked by the leader of the Liberal Party that it is not cabinet's job to set the salary of Mr Eliesen, that it is indeed the job of the board of Ontario Hydro. "The board will decide the salary." Today I think he said: "Surely you don't expect cabinet to set this salary. We don't have anything to do with that."

The board said Eliesen is not qualified for this job; the cabinet overruled it. The board said no to Elliot Lake; the cabinet overruled it and directed it to do something else. The board said no to Kapuskasing; the cabinet overruled it and directed Hydro what to do with Kapuskasing. We have seen example after example since the members opposite have come to power. Whenever the cabinet disagreed with the board, it overruled and directed the board.

Is the minister telling me today then that he does not disagree with the board, that to go to \$400,000 plus a 22% bonus, \$488,000 a year, from \$120,000 a year when the government is appropriately asking those in the public sector to take zero to 3%—

The Speaker: Would the leader conclude his question, please.

Mr Harris: Does the minister think this is appropriate? If not, why does he not stand up and do something about it?

Hon Mr Ferguson: What I cannot believe about not only the questions that the leader of the third party put today but the questions yesterday as well is that he stood in the House, he waved a piece of paper and said the board was not in favour of Mr Eliesen and was not in favour of this government's policies. What he neglects to point out is that it was the board of directors of Ontario Hydro that decided Mr Eliesen was worth \$400,000. That is what he did not point out.

Mr Harris: Let me correct the record, because the minister has totally misled this House.

The Speaker: Order. That is not even borderline. The leader of the third party should withdraw that.

Mr Harris: Yes, I will withdraw the comment.

I think what I have to say will be quite apparent. The minister said the board said Mr Eliesen was worth this amount of money. What the board said was that a qualified person in the position was worth this amount of money and Eliesen was not that person. That is what the board said.

I would like to ask the minister this as well: During the—if I may use the words—confirmation hearings for Mr Eliesen—

Mr Elston: That's rubber-stamping.

Mr Harris: We call it rubber-stamping here in Ontario, a little different than in other jurisdictions.

The member for Ottawa South pointed out that eight members of the board of directors had indicated that Mr Eliesen had requested that the board, pending any change in legislation, appoint him as president and chief executive officer. Eight members of the board, respected members, one a labour member, indicated that this was the case by way of letter. Mr Eliesen replied, "That statement is false, sir." Has the minister investigated whether it was Mr Eliesen who was telling the truth or whether it was these eight members of the board who were telling the truth at those hearings?

Hon Mr Ferguson: Mr Eliesen's qualifications are not in question by fairminded people. What I cannot believe about this process is that we have members of the third party accusing me of not doing a job and now they want to expand my duties and go out and play cops and robbers. I am far too busy looking after the energy needs of this province to go out and play cops and robbers at the request of the leader of the third party.

Mr Harris: Does it not bother the minister that eight members of the board of directors of Ontario Hydro are saying one thing and Marc Eliesen is saying something completely opposite? I believe he said, "That is false, sir," ie, those eight members are lying. I believe that is what Mr Eliesen was saying.

Interjections.

Mr Harris: The member for Ottawa South was reading a quote that I have also seen, signed by eight members of the board of directors, in response to the interjections. Is the minister telling me this does not concern him, that he has not investigated this? Would he not agree that if somebody is lying he should be fired right away, eight board members or Mr Eliesen, one or the other, if they are going

to bring information forward to a public committee or send information and sign it? Would the minister not agree with that? Why is he not concerned with that?

Hon Mr Ferguson: I think we have to recognize board members, in some respects, for what they are. They are very much political appointments of the government of the day to manage the affairs of the corporation and to develop the long-term policy initiatives of Ontario Hydro. I want to say to the leader of the third party that clearly for a minister of the crown to follow his suggestion and only be concerned about who said what, when and about whom is just not good use of a minister's time. It is not productive use of a minister's time.

1500

ELEVATOR INSPECTIONS

Mr Chiarelli: My question is to the Minister of Consumer and Commercial Relations regarding the public safety issue of elevator inspections. Two years ago, Ottawa suffered two unfortunate elevator accident fatalities. A coroner's inquest strongly recommended more provincial inspectors than the one who was available in Ottawa-Carleton. At one time Ottawa-Carleton had five inspectors, and that for fewer elevators. The last government added a part-time inspector. Although still far from adequate, it was a move in the right direction. The minister has now terminated this position for budget reasons.

I have now obtained a letter and a computer printout from a ministry director clearly showing that 2,053 elevators in Ottawa-Carleton have not been inspected by the ministry in over four years. The majority of these have passed the ministry's own due dates for reinspection in the past year. The situation is seriously deteriorating under this government. Will the minister immediately provide more inspectors in Ottawa-Carleton? How long does she intend to leave these 2,000 elevators uninspected beyond the ministry's own due dates for inspection?

Hon Ms Churley: It is quite true that there are more elevators than we have enough inspectors for these days. Over the past little while we have recruited nine new trainees. One of the problems we have is a shortage of trained inspectors. We are working with the Ministry of Labour at this time and are actually training new elevator inspectors. The certification and training program that is going on will help alleviate the problem. We are aware of the difficulties.

We are also looking at prioritizing because we do not have enough inspectors for all elevators and doing some kind of risk management. The elevators that perhaps are creating the most risks for people will be inspected more frequently than newer elevators that are creating fewer risks.

Mr Chiarelli: My constituents in Ottawa-Carleton are not interested in risk management, which produces no results. The minister ought to know that last May in this Legislature the Premier, then Leader of the Opposition, raised this very same issue, the lack of inspectors. Nothing has been done by this government.

In fact OPSEU, the Ontario Public Service Employees Union, has made a brief to this government pointing out the problem, as has an all-industry committee dealing with

this issue. The ministry is totally ignoring any advice it is getting from either the unions or the industry.

The minister must allocate resources now. There is a public safety risk, as the union would say, as the elevator industry would say, and this minister is doing absolutely nothing. Will the minister pass an order in council approving self-financing of elevator inspectors? Her ministry is a cash cow earning \$1.2 billion a year and all the revenue from elevator inspectors goes into the consolidated revenue fund. Will she allocate resources immediately and will she put some more inspectors into Ottawa-Carleton to avoid this public safety hazard?

Hon Ms Churley: It must be millions, not billions. We are in the process right now. We have been studying very carefully the jury's recommendations and have been implementing some of those recommendations.

As I said in my previous answer, the certification and training program which I am working on with the Minister of Labour is ongoing. We have brought on nine new trainees but, as I said, one of the problems is that we have a lack of well-trained inspectors at this time. We are indeed dealing with the problem at this very moment.

LAND REGISTRATION

Mr Tilson: My question is of the Minister of Consumer and Commercial Relations. Last week I asked the minister why she had agreed to sign a secret agreement involving the sale of our land registry system, also known as the Polaris administration, an agreement negotiated by the Liberal government and signed by her.

I asked why she had agreed to keep the details of this agreement secret for ever. She did not answer the question. She did not even come close to answering the question. She was not even in the ballpark of answering the question. The Treasurer even had the gall to put to me in an aside, "Trust us."

The secret agreement has now had rampant speculation from the people of Ontario as to bid-rigging, improper tendering and giving away our land registration system to individuals who are not even Canadians. We do not even know who these people are.

I am going to give the minister another chance. Can the Minister of Consumer and Commercial Relations answer to this House, can she tell the members of this House why she has agreed to keep the agreement between the government of Ontario and Real/Data Ontario secret for ever?

Hon Ms Churley: I have to say that the Tory version of reality differs quite frequently with what reality is all about, and this is another case in point. I will certainly make an attempt to answer some of these questions, which have nothing to do with the reality of this particular partnership of the government with the private sector, which I would like to say has been well investigated. It has had an internal and external review since we came to government. We are fully satisfied that it is a good deal for Ontario. We have a lot of privacy safeguards built into this deal.

Mr Stockwell: How do we know?

Hon Ms Churley: Because I am telling the House now. There are three levels of safeguards. The government

controls all legislation and regulations governing land registration information. Under the terms of partnership, the government owns 100% of the land registration database. The government has the right to approve any new information products resulting from this partnership. The government controls the fee structure.

I will end here and perhaps go on in a supplementary, but Teranet is fully bound by the Freedom of Information and Protection of Privacy Act. I am happy to provide any information to the opposition and the third party as long as it is allowed under the Freedom of Information and Protection of Privacy Act.

Mr Tilson: The minister has agreed to keep this contract secret for ever. How do we know? She is simply saying, "Oh well, we want to protect this company." That was her answer last week. The answer she has given is no better than last week. It is a stock answer. She is reading it. It has been prepared. Why can she not produce the agreement? What has she got to hide?

Last week I asked the minister about the fact that this secret agreement contained an agreement by the government to guarantee the minimum revenue flows of this private company. Naturally she did not provide an answer, although she said she would be happy to do it later. We have been waiting. A week has gone by and we have yet to receive that answer.

Now is the time for the minister to tell us. I am offering her another chance to answer the second question that I asked last week. How much is this secret contract going to cost the people of Ontario? Is it going to cost \$1 million, \$2 million, \$1 billion? What is it going to cost the people of Ontario?

1510

Hon Ms Churley: I notice the member asking the question was also referring to notes as he asked the question. I think it is okay to read from time to time and I am going to read to him now. This strategic alliance is not a \$1-billion industry as outlined in the TV program. The member should know that he should not believe everything he sees in a newspaper or on TV.

In early years the revenues, as I am told, will be around \$20 million, and by the 10th year should exceed about—

Interjections.

The Speaker: Order. Would the minister take her seat, please. The member for Etobicoke West. First of all, it really would be helpful if those who ask questions would allow the person an opportunity to respond. If we would just be a little calmer, perhaps we can entertain the response.

Hon Ms Churley: I do not lose my temper very often, but this is the second time this member has falsely accused me of giving inaccurate information on the land registry situation, and I must admit I am losing my temper. I am telling him in this House at this moment. He asked me a question and I am telling him the answer: \$20 million in the first 10 years and it should slightly increase from there.

Interjections.

The Speaker: The member for Etobicoke West, come to order.

Mr Jackson: Give us a figure.

Hon Ms Churley: I just gave the member a figure. As I have offered the member for Dufferin-Peel before, I am happy to sit down with him. I am not allowed the time in this House to give him full details, but I am more than happy to sit down and go through the whole detailed plan with him any time.

Mr Bisson: I would like to take this opportunity to thank the pages for the fine work they have done for the Legislative Assembly since they have been here. As most of us know, it is their last day here and another group will be coming in next week. Thank you.

GOVERNMENT TRAVEL EXPENDITURES

Mr Bisson: My question is for the Chairman of Management Board. Recently I had an opportunity to meet with a number of civil servants within the riding of Cochrane South where the employees of the province of Ontario wanted to put their heads together around trying to find ways of being able to save money from the public purse by means that they have within their own control, and we talked about a couple of issues.

One of the things they raised was the whole question of travel for the government. As of right now, the practice is that if you travel on government business, you are not allowed to accumulate travel points in any way. They were wondering if it was possible that travel points could be accumulated but strictly used for the purpose of government business. This would represent quite a saving for the province of Ontario, and they wanted to know if something like this would be possible.

Hon Mr Silipo: I am glad the member raised the question, because although it may seem somewhat insignificant to some members, I think it is one that actually raises a number of issues in terms of the amount of money we spend as a government, as any government does, on travel for our employees as well as for members of the Legislature.

In fact, I recall in some recent travels it is something we did as members of the select committee on Ontario in Confederation, wondering about the use of the points and the fact that we do not take advantage of that structure. It is something I am quite interested in looking at, to see how we might take advantage of some of those possibilities.

Mr Bisson: There were a number of ideas that was raised at this meeting. It was quite a productive meeting actually. It was the first time a member of government had actually taken the time to sit down and speak to the civil servants of this province, trying to find ways to economize within the section, within the public expenses of our government—something they were quite happy about. It was a trying experience but it was interesting.

The other point they raised was the whole question again of travel. One of the things they were talking about was that presently, when booking flights or booking travel for the government, it is done through one central government agency, but the prices, when you look at them, tend

to be fairly elevated compared to what they would be if you knew ahead of time you could book on a seat sale, leave on a specific date and come back again. It is not always possible, because at times you cannot really know the exact day you will be coming back from a meeting, but they figure in about 20% to 30% of the travelling they do now, they leave at a specific time and come back at a specific time. They would like to know if it is possible to book that ahead of time to be able to take advantage of seat sales, which would be about 50%.

Hon Mr Silipo: I think the member raises the broader question of travel cost that I alluded to in my answer to his first question. That too is an area that I know we actually are looking at through Management Board of Cabinet, to see how we can best co-ordinate the way in which we go about spending our money with respect to travel and the whole question, particularly of airline travel, but certainly others. There are ways, I think, that we can spend that money a little more wisely than we have done in the past.

POST-SECONDARY EDUCATION

Mr Daigeler: In the absence of the Premier, my question is to the Minister of Colleges and Universities. The minister knows that the students outside this building and all across the province have been asking where the Premier is today to explain his broken promises on higher education. They are also sending him letters, addressed to the Premier, asking about the funding cuts and his tuition fee increases.

Here is what some of them have been saying and are saying to the Premier: "I do regret voting for you in the past election. Many of your promises have either been ignored or put off."

Here is another student: "I voted NDP in the last election, after being a Liberal supporter for years. Your recent actions are making me believe that I have made a mistake."

Another one: "It just seems that you guys can never do anything right. You finally are given a chance and you have really screwed it up. Shape up or you will be shipped out."

The Speaker: Is there a question?

Mr Daigeler: That is what the students are telling him, and I am sending some of these letters right over to the minister so that he will know how the students are feeling. They have explained it to him outside. What is the minister telling the students? What has he told the students outside about his cuts to higher education?

Hon Mr Allen: It has been a great rally outside. Everybody has rehearsed his lines well. The students are concerned about serious problems that were left over in the wake of the Liberal and Tory eras in this province.

The member for Nepean knows very well, regardless of what he is receiving on those cards, that we placed, and still place, \$177 million in new dollars in the university system this last year. We doubled the capital dollars available to the system. We expanded OSAP. We introduced a whole series of accessibility programs that had never seen the light of day under the member's administration. I do not think the record is a bad one, but I do understand the

students because there is an awful lot of ground to be made up in the wake of those guys.

Mr Daigeler: I accept the fact that I got pelted with macaroni this year. The students were not expecting to have to pelt the minister today with macaroni, and they did. Why did they do it? Because the minister promised them not to increase tuition. He increased tuition. He promised them not to cut funding under education. He did not deliver on his own promises and that is what the students are protesting.

The minister refers to OSAP. Let's be straight about the program. He is so proud that he has not cut back, but I am informed that there is a group right now working in the Treasury to turn OSAP into a loans-only program and that 62,000 students who are presently receiving grants would be affected by this. Can the minister confirm that he is aware of this? Second, who told the staff to do that study? Third, can the minister confirm that he will not implement this new, incredibly dangerous, negative, draconian measure for the students of this province?

1520

Hon Mr Allen: I recall that at the rally the member stood far enough away not to be hit by any macaroni. I was right up front.

Our ministry, in attempting to face the whole question of funding the system and being fair to students, is looking at a whole range of options in order to improve access and get more students studying better at better universities in Ontario. That is the maxim. That is what we are fighting for and that is what all the groups are working on that are working at my ministry.

RETAIL STORE HOURS

Mr Carr: My question is to the Solicitor General. It is an economic question, but as it relates to Sunday shopping, I will give it to the Solicitor General. He will have read the full-page ad from the Ontario Discount Drug Association. It was a letter to the Premier saying: "You keep saying in your government that you are committed to creating jobs for Ontario. As recently as September 23, you stated, 'Job creation is a key priority for this government.'" It goes on to say: "Our member stores will be unable to compete and 3,000 jobs will be lost. Our workers are no less important than other employed people in Ontario."

We have heard the Minister of Labour say today that 480,000 jobs are not important, so I do not know why 3,000 would be to them. I wrote to the Premier on September 9 and said: "Three thousand jobs are important enough. Maybe you should get out and meet them." His letter back said no, he did not have the time to come in. Then we sent another letter and said maybe the Minister of Industry, Trade and Technology would be interested. When de Havilland was going to lose the same amount of jobs, they struck a committee and got the Treasurer to open his pocketbook and give them whatever amount of money they wanted. But for these 3,000 clerical jobs—they are cashiers—the Premier, the Minister of Industry, Trade and Technology, nobody will talk to these individuals.

What is the Solicitor General going to do to save the 3,000 jobs that are in jeopardy because of his legislation?

Hon Mr Pilkey: By his own admission of the actions of this government in the specific examples he raised in terms of other corporate entities, the member should recognize that this government in fact has been very judicious in its attempt to save jobs and encourage job creation in this province. More specifically with respect to the drugstores, the previous Liberal government legislation provided that drugstores might offer their various product lines up to a maximum retail area of some 7,500 square feet. I would think that is a size which is quite large for the distribution of pharmaceutical goods, and I would be surprised if someone suggested it is not.

Mr Carr: Those 3,000 employees will not sleep any better tonight with an answer like that.

I have copies of the minister's remarks that he was supposed to make on September 30. It is Notes for Remarks by the Honourable Allan Pilkey. I suspect I will be getting a visit, because in the back are the questions and answers. As he is the minister responsible for the OPP, I am sure they will be in there this afternoon. I will save them the trouble: My office is 107 north.

I have it right here with me. In it are the questions and answers that have been prepared for the minister by some of his officials. Quite frankly, we do not need to go ahead, because all the questions and answers are in here; it is very thorough. It says they will spend \$1 million—in case the minister forgets, it is on the last page—on the Ontario Municipal Board. How can he justify spending \$1 million? He cannot save 3,000 jobs, but he is going to spend \$1 million at a time this province is bankrupt. How does he justify to the people of this province spending that money?

Hon Mr Pilkey: I cannot respond. Perhaps the member opposite is reading from my copy; I do not seem to have one. I certainly will not be launching any investigation, because I am sure the information the member has there will be very helpful to him as we proceed to clause-by-clause on this issue. Any costs that would be incurred by the Ontario Municipal Board in reviewing the decisions that are made that are made by municipal councils will be money well spent. The reason I say that is that when one contrasts that approximately \$1 million to the volume of retail expenditures that will occur as a result of the bona fide tourist exemptions, that number will not even be close to the overall benefit that the province and retailers will receive. It is a solid investment in that way.

The Speaker: The Solicitor General has a response to a question asked earlier by the member for Leeds-Grenville.

REMARKS BY APPOINTEE TO POLICE SERVICES BOARD

Hon Mr Pilkey: I rise today in response to a question that was asked Tuesday, October 1, 1991, by the member for Leeds-Grenville concerning a request for an investigation by the Regional Municipality of Peel Police Services Board. I have studied the matter and have drafted a letter which has been sent out to the Regional Municipality of Peel Police Services Board detailing my particular response. It is a very short letter and with the indulgence of the Speaker I will simply read it:

"I am replying to your letter of September 9, 1991, in which you have asked me to request the Ontario Civilian Commission on Police Services to investigate the alleged comments of a member of your board as reported in the Toronto Star. I have reviewed all of the documents which you have made available respecting this matter, including the newspaper articles in question and correspondence from the board, the Peel Regional Police Association and the member of the board in question.

"It is my considered view that the resolution of the dispute does not lie in my requesting an investigation by the commission under section 25 of the Police Services Act. As you have said in your letter, the positions adopted are contradictory and irreconcilable. The member of the board in question categorically denies stating that Peel police officers will sometimes lie under oath to protect their fellow officers, while the newspaper maintains strongly that the article in question reflects the truth of what was said in the interview.

"In my view, an inquiry at this time would not foster in a positive or significant way the enhanced relationship between police forces and members of the community they serve that we are all trying so hard to effect.

"Yours truly,

"Allan Pilkey,

Solicitor General."

Mr Runciman: That is a very disappointing response indeed, not to me alone, I am sure, but to Peel regional council, to the policemen and policewomen in the Peel force who were very disturbed by the comments of this individual.

He is indicating that it is one person's story against another's, but the reporter for the Toronto Star had a witness present while she posed those questions, re-posed those questions, because she was concerned about the nature of the responses. I think it is incumbent upon this government—this was its appointee, an NDP appointee—and I believe it is incumbent upon this minister, this government, to ensure that it is appointing the appropriate people to police services boards across this province.

I ask the minister, as a supplementary, to review this again because I think this is important in respect to the message it sends right across this province, to municipal councils and policemen and policewomen who are trying to serve the public as best they can.

Hon Mr Pilkey: The member says that this is a purely partisan NDP appointment, and quite frankly he should know as Chair of the standing committee on government agencies, which reviews appointments, that this is simply not true.

We have as a government, quite differently than previous governments, created a listing of all appointments available that has been distributed widely across the province. We have provided generic application forms, we have publicly advertised for applicants and we have allowed the standing committee on government agencies to review whichever appointments it wishes to review.

1530

CONSUMER PROTECTION

Mr Cordiano: I have a question for the Minister of Consumer and Commercial Relations. On at least two separate occasions in this House the minister has expressed her concern for the plight of consumers in Ontario and has recognized the need to protect consumers, particularly seniors, from the vagaries of the marketplace. Indeed, the minister has stated that she is extremely concerned about the abuse that not only seniors but other consumers in this province are taking.

I would ask the minister today if she is still concerned about price gouging and other issues affecting consumers in Ontario.

Hon Ms Churley: Yes, of course I am still very concerned about abuse of consumers, and particularly the vulnerable consumer. I have said on a couple of occasions in this House that it is a major priority of mine. We have taken the Liberal legislation that had been worked on, which was essentially good legislation, but there were some holes in it that I feel it is very important that we address. I do not want to introduce legislation at this time. In only a very short period of time we can plug those holes and make it a little better for consumers out there, for consumer protection.

Mr Cordiano: We anxiously await that legislation. But in the meantime, the minister must be aware that her government is about to impose a 44% hike in Hydro rates over the next three years. Once the complete 44% rate is in effect, the average consumer in North York will be paying over \$360 more per year and the average consumer in Deep River can expect to pay as much as \$600 more per year for hydro.

Those individuals on fixed incomes such as seniors, particularly seniors who are most vulnerable, may not be able to afford to pay those rate increases and may be forced out of their own homes. I ask the minister if she still believes it is her mandate to protect consumers against price gouging of this kind and what she has done in terms of protecting consumers at the cabinet table to ensure that price gouging of this kind will not take effect once the rate increases go into effect. What has she specifically done at the cabinet table to make sure those rate increases will not affect those who are particularly vulnerable, those who are on fixed incomes and who will see these kinds of rates push them out of their homes?

The Speaker: The member will conclude his question, please.

Mr Cordiano: What is the minister going to do about that?

Hon Ms Churley: I do not think I can refer this question at this point to the appropriate minister to answer.

Mr Bradley: You're the Minister of Consumer and Commercial Relations.

Hon Ms Churley: I certainly know what minister I am. Because I cannot refer it, I will simply say at this point that, as I said in my first answer, I am quite concerned about gouging of consumers. However, this question

should be addressed to the Minister of Energy. I certainly will continue to speak up for the consumer at the cabinet table. If the member would ask my cabinet colleagues, they will tell him that I always speak up for the protection of consumers.

COMMITTEE MEETING

Mr Eves: I have a question of the government House leader who also happens to be the Minister of Municipal Affairs. Can the government House leader explain to the members of the Legislative Assembly, and more specifically to the members of the select committee on Ontario in Confederation, why the committee meeting this afternoon, as previously agreed upon by all three House leaders to meet the Premier's personal agenda from 3 to 4, has been cancelled?

Hon Mr Cooke: It is my understanding that when we discussed this in the House leaders' meeting a week or so ago, the opposition House leaders and I agreed we all shared some concern about overlap between a committee meeting and the House still in question period. There was going to be an attempt to get question period over with by about 3 o'clock so that the committee could proceed. I think the Chair of the committee and other members were concerned that because question period was so late starting, it would show a disrespect to the question period process. So I think it was appropriate that the committee meeting was cancelled.

Mr Eves: I have before me the minutes of the House leaders' meeting of October 10, of which the government House leader speaks, drafted by the government House leader's office, I might add. On page 2, it says: "The committee will be authorized to meet on October 17 from 3 pm to 4 pm to accommodate the Premier. If a motion in the House is required, it will be presented by the government."

It was never the understanding of the House leaders that this was conditional, and it does not say so in his own minute, that if the question period happens to be over by 2:59:30, then we will have a meeting, but on the other hand, if question period goes to 3:01, we will not have the meeting. That was never the intention. That was not what was agreed upon by the three parties and the three House leaders. What difference does it make to the Premier anyway? He is not in here for question period in any event.

Hon Mr Cooke: I did not cancel the committee meeting. The Chair made a decision, and I know he was consulting with some members of the House, to cancel the committee. If this is a problem, and obviously it is, then obviously the member and I and the House leader for the official opposition should discuss it.

Interjection.

The Speaker: Order, the member for Willowdale.

Hon Mr Cooke: I did not cancel the committee, and if there has been a problem created by this, we will certainly check it out and see if it can be rectified.

The Speaker: New question. The member for Victoria-Haliburton.

Mr Drainville: It is not a question, Mr Speaker. I am rising on a point of order.

The Speaker: Can this wait until outside question period? The member for Durham West.

WETLANDS

Mr Wiseman: My question is to the Minister of Natural Resources. As this House will know, I have shown a tremendous amount of concern for the wetlands and the waterways of this province. In April 1990 this House passed a resolution requesting the Ministry of Natural Resources to do some further study and to bring forward some protection for the wetlands. I would like to ask the minister if he could give an accounting of where that process is at this time.

Hon Mr Wildman: I thank the member for his question. I share his concern. I know most members of the House share his concern for the need to—

Interjections.

The Speaker: Order. I am having difficulty hearing the response because of not just interjections but a number of private conversations. Would the members of the House come to order so that we can hear the response of the Minister of Natural Resources?

Hon Mr Wildman: In September a draft policy statement on wetlands was released by the ministry. It was circulated across the province and we are currently accepting comment and review from various interested groups. That policy statement is significantly different from the earlier draft that was published in 1989, and that is why we decided there was a need for further consultation with the public. The public consultation period is 60 days. When that is completed, we will take into account the comments we have received and incorporate them in the final statement and we will publish the policy statement under the Planning Act. I will keep the House informed of the progress we make in this policy.

Mr Wiseman: There are more than just development pressures threatening the province's wetlands. As I recall, the standing committee on resources development earlier this year looked at the question of purple loosestrife in the broader context of exotic invading species. I have posters here. I am very concerned that even when the wetlands policy is in full effect—for members who are not aware, the weed was accidentally introduced into North America in the early 1800s. In Canada the plant caused few problems until the 1930s when it began to take over the floodplain pastures along the St Lawrence River.

According to the study for the Ontario Heritage Foundation, purple loosestrife has invaded half the wetlands in southern Ontario and north to a line running from Sault Ste Marie to Kirkland Lake. What is the government doing to ensure that this beautiful killer, as it has been dubbed, does not irrevocably damage Ontario's wetlands?

Hon Mr Wildman: The member is correct that the invasion of purple loosestrife is a very serious problem, as is the invasion of other exotic species into the province, and it does cause significant loss to wetlands. Its impact could indeed be disastrous, and I think it is unfortunate that some other members of the House find this an amusing topic.

In 1990 the Ministry of Natural Resources established a working group to make recommendations this year on the managing of purple loosestrife in Ontario. That group is assembling information now on the effective ways of controlling the spread of purple loosestrife. We are developing educational programs and trying to inform the public about the dangers of this plant that many people see as a rather attractive-looking plant.

I understand also that the Minister of Agriculture and Food, under section 10 of the Weed Control Act, has allowed a number of municipalities such as Bruce county to declare purple loosestrife a noxious weed. That bylaw then makes it incumbent upon the municipality to remove the purple loosestrife within its municipal boundaries and enables weed inspectors to ban the sale—this is very important—of this plant in local nurseries, because unfortunately there are still some nurseries in this province that sell purple loosestrife as a plant for gardens.

1540

The Speaker: The time for oral questions has expired. There are a couple of members who would like the opportunity to address the Speaker. I will certainly allow that.

LEGISLATIVE PAGES

The Speaker: Before so doing, if I could capture the attention of all the members of the House, we have been served extremely well over the past several weeks by a group of young people, 24 in number, who I think you will agree have delivered to us absolutely exemplary service and who deserve our applause.

COMMITTEE MEETING

Mr Drainville: On a point of order, Mr Speaker: I think I need to respond to the comments that have been made by the honourable House leader for the third party. There may have been a mistake made on my part—

Interjections.

The Speaker: There is sufficient noise in the chamber to prevent the Speaker from hearing the alleged point of order.

Mr Drainville: I may have inadvertently made a mistake and I want to apologize to the House about this particular thing. This afternoon I was under the impression, as the Chair of the select committee, that when the question period was under way members could not leave to go to committee. I thought it was a rule of the House. It may not be a rule of the House.

When I spoke to the Premier, I indicated that it looked like we would not be finished till 3:40. We were to meet at 3 o'clock and we would not meet until 3:40. At that point in time it was obvious that the Premier had another engagement planned and could not stay for any more than the time allotted. Therefore, under those conditions I decided that we would have to invite the Premier back to the select committee. If I have made any difficulties for the members of the opposition or for members of my own party I deeply regret that.

I was not in any sense trying to make it difficult for those members.

The Speaker: I appreciate the member's point of personal explanation.

Mr Harnick: The government House leader made the allegation, when he answered the question regarding this 3 o'clock meeting with the Premier, that the Chairman of the committee had consulted with the members of the committee and, based on that consultation process, made the decision to cancel the meeting.

I would just like to set the record straight. He did not consult with us. He merely told us that the meeting was cancelled. I point out to the government House leader that this is 90% of the problem with this government. They do not understand the meaning of consultation. It is not telling people an answer after the decision is made; it is getting people involved in helping make the decision. It is not levying a decision and then consulting to tell people what the decision is.

The Speaker: The member for Willowdale will know that it is not a point of order, but obviously it is a point of a great deal of interest.

LEGISLATIVE RESEARCH SERVICE

Mr Chiarelli: On a question of privilege, Mr Speaker: As you know, this afternoon I raised a question concerning public safety and elevator inspectors in Ottawa-Carleton. I want to raise with you a very serious problem, as I see it, with respect to the disclosure of information to legislative researchers. As you know, under standing order 140 you are responsible for the legislative library and consequently for the researchers who work for members from all parties in this place.

Several weeks ago I had an appointment in my constituency office with a retired elevator inspector who raised concerns about the public safety of elevators in Ottawa-Carleton. As a result of that particular meeting, I consulted with legislative research, through the library for which you are responsible, and I placed a number of questions in writing for the legislative research people to investigate. Very briefly, I asked two questions in particular, as well as a number of others. The first one was, "How many elevators in Ottawa-Carleton have not been inspected by the ministry for a period of at least four years preceding September 1, 1991?" and the second was, "Provide a list of buildings where no such inspections have taken place in the four years preceding September 1, 1991."

Legislative research got back to me with a memo, and I will quote from that memo. This is information the researcher obtained from a director of the Ministry of Consumer and Commercial Relations: "The information requested under this question would require approximately 91 working days to prepare and would involve a cost of approximately \$133,320. It was estimated that approximately 10 minutes would have to be spent on each of 20,000 files at a cost of \$10 per quarter hour."

The very professional and tenacious researchers thought that was a little bit unrealistic and it took a considerable period of time in negotiation with the director to rephrase the questions slightly and obtain appropriate answers that would permit me to ask a question in this House to protect my constituents.

I am almost finished, Mr Speaker. I know you are getting a bit edgy about the time I am taking.

The long and short of it is that in order to get the information to protect my constituents, I, as an MPP, was required to pay personally to the legislative library researcher close to \$300 to get this information. I want to ask you to refer this matter and other matters to an appropriate legislative committee, so that we can look at the interface between the bureaucracy and legislative researchers.

I raised this point of privilege with you on a previous occasion and I thought it was very serious. As a matter of fact, I received your response, which I did not agree with, but I did not do anything with it because I was prepared to defer to your opinion and your judgement. However, it has arisen again in a very serious matter. On behalf of my constituents, who expect me to be able to get this information on their behalf, I am asking you on a point of privilege, as the person responsible for the legislative library, to refer this type of issue to an appropriate legislative committee where we can all have some input and there is an appropriate flow of information through the bureaucracy, which is trying to stonewall on behalf of this government.

The Speaker: I appreciate the matter which the member brings to my attention and I will be pleased to take a look at it and report back as soon as possible.

PETITIONS

OATH OF ALLEGIANCE

Ms Poole: I have a petition which is addressed to the Legislative Assembly of Ontario:

"Whereas Her Majesty the Queen, at her coronation in 1953, took a personal oath to the people of Canada, and Canadians have always reciprocated with oaths of allegiance and service to the person of the sovereign;

"Whereas it is our right and duty to take oaths of allegiance and service in such form;

"Whereas Ontario regulation 144/91 made under the Police Services Act, 1990, denies Ontarians this right;

"We, the undersigned residents of Ontario, loyal to Her Majesty Queen Elizabeth II, Queen of Canada, petition the Legislative Assembly of Ontario to resolve that His Honour the Lieutenant Governor in Council be requested to revoke Ontario regulation 144/91 and restore the traditional oath of service to Her Majesty for police personnel in Ontario."

I have signed this petition.

1550

WINCHESTER DISTRICT MEMORIAL HOSPITAL

Mr Villeneuve: This petition is signed by 2,534 constituents and neighbour constituents. It has to do with the approximately \$500,000 operating deficit that the Winchester District Memorial Hospital has and is unable to meet, even by the cutting down of hospital beds.

"We, the undersigned, demand that the province of Ontario increase the level of operational funding to the Winchester District Memorial Hospital in order to prevent further loss of health care services to our area."

I have affixed my signature to this petition and strongly endorse it.

OATH OF ALLEGIANCE

Mr J. Wilson: I have the privilege of presenting a petition to the Legislature of Ontario that reads as follows:

"Whereas the Queen of Canada has long been a symbol of national unity for Canadians from all walks of life and all ethnic backgrounds;

"Whereas the people of Canada are currently facing a constitutional crisis which could potentially result in the breakup of the federation and are in need of unifying symbols;

"We, the undersigned, respectfully petition the Legislative Assembly of Ontario to restore the oath to the Queen for Ontario's police officers."

That is signed by a number of good people and councillors, actually, on the Tosorontio township council and a number of good people from Wasaga Beach, Tottenham, Alliston and Collingwood in my riding of Simcoe West and I too have affixed my name to this petition.

INTRODUCTION OF BILLS

TEACHERS' PENSION STATUTE LAW AMENDMENT ACT, 1991

LOI DE 1991 MODIFIANT DES LOIS EN CE QUI CONCERNE LE RÉGIME DE RETRAITE DES ENSEIGNANTS

Mr Silipo moved first reading of Bill 140, An Act to amend the Teachers' Pension Act, 1989 and the Teaching Profession Act.

M. Silipo propose la première lecture du projet de loi 140, Loi modifiant la Loi de 1989 sur le régime de retraite des enseignants et la Loi sur la profession enseignante.

Motion agreed to.

La motion est adoptée.

Hon Mr Silipo: Very briefly, as I indicated, I am pleased to introduce in the Legislature today the Teachers' Pension Statute Law Amendment Act, 1991. There are many important things that this act will do. Among the most important is that it creates for the first time a partnership between teachers and the province of Ontario. As members will hear in the debate in subsequent reading, this partnership will become a model for other partnerships which this government will forge with its stakeholders. I trust and anticipate that members will give this bill their fullest attention, and I look forward to their support.

ORDERS OF THE DAY

POWER CORPORATION AMENDMENT ACT, 1991 LOI DE 1991 MODIFIANT LA LOI SUR LA SOCIÉTÉ DE L'ÉLECTRICITÉ

Resuming the adjourned debate on the motion for second reading of Bill 118, An Act to amend the Power Corporation Act.

Suite du débat ajourné sur la motion visant la deuxième lecture du projet de loi 118, Loi modifiant la Loi sur la Société de l'électricité.

Mr Ruprecht: I am, of course, delighted to join other honourable members in the debate on Bill 118. What I would like to raise today is what the Toronto Sun already indicated a few days ago when it said, "Ontario Hydro is the biggest management screwup in the history of Canadian industry." That, of course, is not a light sentence. To point one's finger and to say to Ontario Hydro and very directly to this government that it is participating in "the biggest management screwup in the history of Canadian industry" is indeed a very serious charge.

I compliment the member for Sarnia, who is the parliamentary assistant to the Minister of Energy, in his attempt to deflect the debate and simply say that the main message that Hydro is trying to propagate today to the members assembled here is that, yes, Hydro will deliver power at cost. But what he does not say is what kind of cost.

The member for Sarnia, who I think is in the House, will probably agree that we have to look at the kinds of statements that have been made previously by the minister, so that his whole idea of deflecting this debate and saying that the opposition is wrong in attacking Bill 118 and that we do not understand and are misrepresenting the facts of what Bill 118 is about—I would like to ask at the same time whether the member for Sarnia is prepared to give us an answer today to the question that was raised yesterday. That is what I would like to continue.

Yesterday the member for Mississauga East indicated what the minister had said just a few days ago, on October 1, 1991. That of course speaks directly to the whole issue of whether Hydro should deliver power at cost or whether Hydro should be used for purposes of economic planning or social experimentation or taking away and using millions of dollars for other purposes than producing hydro and electricity at cost. "For other purposes" means taking millions of dollars and spending it for experimentation, however well it might be designed and however much we might even agree with some of it. But the issue today is that if Bill 118 passes, I think some pretty contradictory problems will arise.

I raised the question of what the Minister of Energy had said previously. The member for Sarnia had said very directly that we have misled the House and that we do not know what we are talking about. Let me just quote, as has been done previously. I am doing this because we did not get an answer. At least for the last 10 days when this debate has taken place, every time we raised the issue of Bill 118 and we said the mandate of Hydro is simply to produce energy at cost and then we talked about social experimentation of millions of dollars being siphoned off into some other direction, the member for Sarnia stood up and accused the opposition, both parties, of not understanding this bill and of not telling the public effectively what this bill is about.

I remind him when I read what the Minister of Energy said in this very House on October 1: "The intention of the bill"—of course I am talking about Bill 118—"is to direct Hydro in order to fulfil the mandate of the government of the day." The main phrase here is, "to fulfil the mandate of the government of the day." The mandate was not what was set down previously, that Hydro deliver power at cost,

but the intention of this bill "is to direct Hydro in order to fulfil the mandate of the government of the day." In other words, he is looking for a way out of the mandate that was originally given to Hydro, and that was to supply power at cost.

Then he goes on to say, to the same question that was asked by the member for Ottawa South, "The goal and objective of Hydro is to provide power at reasonable prices." Again, let's be clear about this. He is not talking about power at cost. He is talking specifically about producing power at reasonable prices. There is a vast difference and no one should be fooled about this. Producing power at cost and producing power at reasonable prices is a difference that either will have industry staying in this province or will make industry leave this province. There is a vast difference between producing power at cost and producing power at reasonable prices, because who will decide what a reasonable price for hydro is?

1600

We know of course what some people say is reasonable. I would like to quote from a letter we received from the Ontario Mining Association pointing out quite clearly that Ontario now is the third most expensive electric power producer in Canada, the third most expensive province, very directly affecting the jobs of this province.

The Agenda for People is clear in that it says we try to produce jobs for the working people, but what is clearer is the result and the response, I might add, from people who are in the industry. They say: "The power is too expensive. We can't be competitive. We'll have to move." That means thousands of jobs are being lost again. We know we are tremendously affected by job shortages and industry leaving to go south of the border and to some other places where hydro can be cheaper.

What concerns me today and what has been raised is another question, the promise Hydro made not too long ago to rip out your pipes and move away from oil, move away from other means of heating your home and use hydro.

I think the Speaker, of all people, will remember the jingle. I think I remember it. I will not be able to produce it in the way it has been repeated on the radio but let me try anyway. It said that hydro would be cheaper than any other source of energy, "If you heat your home electrically, you are paying a lot less money," or something like that.

[Applause]

Mr Ruprecht: I appreciate the member for Sarnia providing some applause. It is really a relief to see that there is still some sense of humour in this place.

However, we must not deflect from the seriousness of this jingle because this jingle may be the result of a propaganda mechanism that has cost many thousands of Ontarians to switch from oil and other sources of energy to hydro. The very net effect of this kind of switch is going to catch people short.

It means that many seniors on fixed incomes are looking at their budget and saying to themselves that a promise by Hydro is a promise by the government. I know, and all honourable members will agree, that previously, only a few short years ago, when Hydro made a promise, people believed it because the government backed it. The people

believed that a promise by Hydro could never be relegated or broken.

I am not here today to talk about the broken promises of this government. I am talking today about the broken promise that was made, not only to seniors but to every member who is on a fixed income in this province. Thousands were affected by it and now find themselves in a situation where the added bill, the extra cost that would be placed on the taxpayer, on the senior and on those on fixed incomes to pay for their hydro, to pay electrically for heating their homes, is simply going to be tremendous.

The reason I am disappointed is because I know that many of the seniors affected by this increase are going to have to leave their homes. It is going to cost a tremendous amount more next year, a tremendous amount more the following year and at least 44% to over 54% in year three. We know it is going to cost 44%, but if you add GST, the provincial sales tax and all the other taxes, there can only be one conclusion, that in three years those on fixed incomes will have to pay over 50% in added cost of hydro. Think of the scenario. Think of all the people across Ontario who are on fixed incomes. What exactly will their charge be to us who are going to be charged today for letting them down?

We and especially this NDP government are going to be responsible today for thousands of seniors with extra rate increases, and many will consequently have to move out of their homes. The charge will be not only to me representing Parkdale, but to every member of this House, next year and in 1993 and 1994. We are all going to be responsible. All of us are going to be called and they are going to be asking us, "Why are you responsible for increasing hydro rates?"

I ask the members today what our response will be. Will we simply say: "I'm sorry. That's the way we do business in Ontario"? Or are we in the opposition going to say, "Check with the NDP government because it made a promise and broke it"?

We are not to be partisan on this bill, far from it, but the facts are clear. Some people will lose their homes and consequently we, this government and every member of the opposition are going to be held accountable and responsible for the increases. Over 50% in three years is not a pretty sight. We are going to be getting calls no matter where we are, what part of the province we are from and what riding we represent. Right across Ontario we are going to be getting calls and we had better be prepared for an answer.

That is why today, hopefully in co-operation with the government, we will make some amendments to Bill 118 that will be reasonable and non-partisan. We are here to discuss this bill and I remind members that there is a lot more at stake than simply the issue of increased rates and charging some people over 50% in three years.

I think of what the member for Niagara Falls indicated a few days ago in this House. She stood in her place and said: "It may be true that we will be charging people in Ontario over 50% within three years, your residents and mine, but don't worry, folks, because in 1994 the rates of

increase for hydro will stabilize and consequently we will be in a much better position to regulate price increases."

Today I ask members, the Minister of Energy and the member for Sarnia, who ought to be a minister—I ask him because I know he is going to give us an answer today and that will be the judgement, the basis of my recommendation—how the member for Niagara Falls can stand in this House and promise again that rates after 1994 will stabilize? What information does she have to tell this House? What kind of promise can we make to the residents based on the assumption of that member for Niagara Falls? Maybe she knows something we do not know. She may know something that is directly connected with the power we get from Niagara Falls. Maybe the member for Sarnia or the Minister of Energy can enlighten us today on why we received a promise by the member for Niagara Falls that price increases will stabilize in 1994.

Has this government discussed this in caucus alone with its members? Is there something that has been withheld from the members of the opposition? If that is the case, if the member of the government raises that question of price stabilization in 1994, is it not the case that we in this House should be notified? There should be a position paper or at least some kind of press release. Certainly the Minister of Energy should be clarifying the position of price stabilization in 1994. That is the way things should operate in this House.

I remind members that in the last few weeks, especially in this session of the Legislature, we have become used to not receiving any information from this government. I should not be so blunt as to say "any" information, but some ministers have chosen not to inform the House—a serious charge—rather than making statements, dropping hints and making innuendoes while some ministers are walking down the hallway in front of the cameras, the press pencils and other things of this nature.

1610

The Acting Speaker (Mr Farnan): Order. The member will take his seat. I appreciate the member's comments in the debate. I ask the member to remain focused on the issue before the assembly.

Mr Ruprecht: Thank you very much, Mr Speaker. I certainly appreciate your remarks, except that we should be informed when some members of the government are standing here and almost as an aside telling this House the new Hydro policy for 1994. This impinges directly on your rights, Mr Speaker, on my rights and on the rights of all the members here. I am simply saying that ministers ought to make statements that reflect the issues of increases or price stabilization.

When we have members making these kinds of ministerial statements and we do not get all the information we ought to be getting, we have to be asking some very hard questions. That was really the connection. The question we ought to ask is, why are ministers not prepared to talk about price stabilization for 1994? Why does it come from the mouth of the member for Niagara Falls, who I think might have some information we are not getting? That

raises the bigger issue of ministers not making statements that ought properly to be made.

Talking about the price stabilization of Hydro, I do not expect the member for Niagara Falls would go down the hall, toss all caution to the wind and talk to the press about price stabilization or what Hydro ought to do. She is not the minister. She is not even the parliamentary assistant to the Minister of Energy.

The reason I am suspicious of such a statement is very simply that we cannot rely on this government to make statements through the ministry. They hint at price increases or stabilization which at certain points really should be made in this Legislature.

I want to address the question of competitiveness in Ontario. I point out that many people and many organizations in Ontario, including some of the press members, have said quite clearly that we will lose more jobs, that because of our non-competitiveness we will not be able to maintain a stable workforce and that consequently our recovery, economically speaking, will either fall back or we will not be able to increase the job creation programs the way we should be, thinking about the wealth we have created in this province.

Before I talk about competitiveness I would like to indicate some facts. When many of the immigrants and many of the corporations came to Ontario, they settled really because of the promise of this land. The corporations came because they looked at the hydro rates and thought this would be a great place to do business. The immigrants came from all over the world because jobs were being created, not only by Hydro but by some other industries. We are indeed so rich—the second-largest country in the world, Canada—and the province of Ontario so vast in its natural resources; yet this country and this province have an unemployment rate of over 10%.

The wealth that we have, the natural resources that we have, should by rights make each person who calls himself or herself a citizen of this country a millionaire if this province and this country were governed right. Think about the vastness of this land. Think about the vastness of its people, the talent of its individuals and of its citizens. Yet we somehow seem to be bound by our inability to make progress and our inability to create work. It is almost criminal that in this country, with its great wealth, we are not able to create the workforce and the work necessary to maintain a great deal of prosperity.

I must say that sometimes we share the burden of being unable to govern this province right, of being unable to produce the kinds of jobs that are necessary and the kinds of jobs we could create. The members will remember that there were a lot of studies that indicated, not only in this province but out west and other places in this country, that the west alone, in three provinces, Saskatchewan, Alberta and Manitoba, these little places alone would have room for over 30 million people if only the infrastructure was being put in place.

What are the ramifications of that for Ontario? We could of course have a lot more people come to this province, but what is the basic fact? The basic fact is that we are so rich, we have such abundance, that we certainly

should be able to create jobs for everybody. That should be the right of every Canadian. That should be the social charter of this government. That is the promise that the NDP should have made: a job for every Ontarian. Hydro is the key to such a program.

Today, while discussing Bill 118, what do we find? We find that people are critical of Hydro. We find that the top brass of Hydro make an enormous amount of money, that its chairman alone wants to make at least \$400,000. Four hundred thousand dollars. Just think of such a salary. I would think, because of Hydro's inability to produce enough jobs, our inability to produce jobs—this energy-consistent type of industry should have all kinds of jobs created because we should have been the most competitive place in the universe. We should have been the most competitive place certainly in North America, if we cannot say in the whole world, because our hydro possibilities in Canada are probably the greatest in the world.

What we need to do obviously is to focus. The social charter should focus on jobs; Hydro should focus on jobs. But because of the vast discrepancies between \$400,000 for the chairman and only \$25,000 to \$35,000, even \$65,000 as the average—these are vast differences. I think if a person in the top brass would be interested enough to think about the competitiveness of Hydro across North America, that would directly lead to industries moving back into Ontario because of the cheapness of hydro, but exactly the opposite has taken place.

1620

Why are we disappointed? We are disappointed because we see into the immediate future and, I might add, into the long-term future. We do not believe for one minute that in 1994 there should be a price stabilization. We see into the future where we become less competitive and where we in Ontario, because of the loss of jobs, will go back to being drawers of water and hewers of wood. We will be back to our birthright.

We have to go back to not being able to process the goods, where we have labour-intensive industries being able to produce these goods but we will again be relegated to ship out our national resources to other places so that products can be created that are labour-intensive. The shift obviously should be taking place right here in Ontario, if only there were a will. That will is now missing, and we who are discussing Bill 118 would like to make some amendments that are right so that we can get back to our competitiveness. It is the competitiveness that I wish to address myself to now.

The Ontario Mining Association is obviously a very reputable organization. The Ontario Mining Association has been around for many a year. We on this side of the House, having been accused by the government of always being wrong and of not understanding the issue, only have to look at some of the ratepayers, at some of the users of energy, at some of the people who use massive amounts of hydro.

What is their story to us? Who are they going to point their finger to? What will the future be in terms of competitiveness? They say to us today: "Wrong policy decisions now will not be reversible in the future. It takes a long

time to bring new energy supplies on stream. Decisions made now will affect all of us for decades or later if we do not act today."

Obviously if industries perceive a growing likelihood of serious shortages—we have talked previously about brownouts and shortages—or escalating energy costs, which are just as bad, they are going to have to decide whether it makes sense to stay in this province or whether the company should move to other places. Should the company scale down its operations and even close them down? "A shortage of energy," it says, "would scale them down for us or force us to move smelting and/or refining processes to other jurisdictions."

The point is that those who use hydro and pay millions of dollars for hydro are thinking of scaling down their industries. We are not talking about abundance of jobs. We are going back to being drawers of water and hewers of wood, and even within that jurisdiction, it is being charged today that we will fall short of even the rudimentary development of industry. Even those companies that produce power on the basic level of resources are thinking of scaling down and shutting down because of our non-competitive strategy in hydro rates, a serious charge. Consequently, we cannot promise the job that we should for every Ontario resident.

The letter goes on to say: "The government and other advocates of this present course of action had better be very, very careful about the consequences. If the present approach of Hydro is wrong, it will not be just moderately wrong; it will be disastrously and ruinously wrong." They cannot find words to describe the seriousness of Hydro rate increases and the seriousness of Hydro shortages, because they affect the very jobs we are counting on to bring this province out of the recession. There is an inability of this government to focus and to ensure that there will be jobs for Ontario residents and that this recession will come to an end without giving an incentive to industry to relocate back to Ontario and create the jobs that could flow from such a location.

Instead this government will be accused of being totally wrongheaded by pushing industry out of Ontario and losing more jobs and postponing the recovery that is rightly ours because of one thing. That one thing is an increase in hydro rates that will not only devastate those on fixed incomes but, as this letter indicates, it will be "disastrously and ruinously wrong" for this government to increase rates to the point of non-competitiveness.

It is a serious charge. Ontario's energy dilemma is a very serious issue, one that threatens the building blocks of this province's economy, and it specifically points out mining, pulp, paper, the automotive sector, steel. The implications of a decision either wrong or too late are simply enormous. I am pointing out to members today that when Hydro is directly implicated in increasing rates, and consequently directly implicated in losing the jobs that are necessary for ending the recession, it will not only be disastrous for our economy and for this government—because people will remember the kinds of decisions that are made here today, and they might even remember all of us—I think it will be a policy that will be so devastating

for all of us that we will remember the decisions we make today.

Finally, let us think about the kind of competitive strategy that is necessary for industry to move back to Ontario. As it stands right now, the reason much of our industry, and business for that matter, is moving out and relocating and taking with it the engineering and entrepreneurial knowhow and the jobs—there are definite reasons for this kind of an action. People have to make a decision, and Hydro is directly implicated. The decision is simply this: Do we stay in Ontario and get overtaxed by the new labour legislation, extra corporate income taxes, income taxes, Ontario sales taxes, the GST, increases in the minimum wage, market value assessment and inflation? We add all of these together and we are talking about a tremendous cumulative effect that will drive out even more people. Who can withstand these kinds of pressures when the going is easier south of the border?

We cannot stand in the way of progress. We cannot hold back people to maintain businesses in Ontario when they have one fundamental choice to make. That fundamental choice is simply this: "We stay and we have to shut down; we go and we can make a profit." With this kind of choice in mind, I am not surprised that people are taking the jobs and their knowhow and moving south.

Interjection.

The Acting Speaker: Order. The minister will refrain from interjecting. Please continue.

Mr Ruprecht: If I had only heard what the minister said, I probably would have applauded his remark, since he is known for his generosity and sense of humour.

1630

Interjection.

The Acting Speaker: I will have to reiterate first of all that I would appreciate it if the honourable Minister of Industry, Trade and Technology did not interject. I would appreciate also if the member who has the floor addressed his comments through the Speaker and not directly to the minister's interjection.

Mr Ruprecht: Mr Speaker, I have always respected you in this forum and the kind of forum you had previously, but you will remember that the minister sits there. I take him to be a generous person and consequently I will not address myself to him, because he is known to be our friend on this side. I know his comments have always been fair and, as far as I am concerned, have been mostly on target. I have no intention to carry this on any further.

The Acting Speaker: Order. The member will take his seat. The member will follow the direction of the Speaker. I think we have had enough nonsense on this and I would ask that you continue the debate and speak to the issue.

Mr Ruprecht: The present government, including the ministers present here today—we appreciate their presence obviously—has been identified as terrorizing many communities; the business sector obviously, which very directly has a stake in this community. Hydro rates will obviously be an effective instrument in ensuring that

industry will come back and maintain the jobs in Ontario. Hopefully in my wrapup this government will understand that the decision it makes on Bill 118, the amendments it permits us to make from this side of the House, will have a direct influence on the future of this province.

Whether we are talking about increases in hydro rates, mismanagement, competitiveness or bringing jobs back to Ontario, what is rudimentary and fundamental today is that hydro rates—some people have described Hydro as the great big Frankenstein monster. I do not believe it is a Frankenstein. It is not a monster. Nevertheless, the point is that if we are unable to rein in these tremendous rates and ensure that Hydro's mandate is being recognized for what it should be—to provide power at cost—we will endanger the very economic health of this country and province.

Finally, this government should obviously and respectfully listen to the amendments we are proposing. With our co-operation, government and even opposition, we could go a long way. In a non-partisan, co-operative way we can manage to rein in these tremendous hydro rates. We can rein in the jobs that have left this province and we can be competitive again to the point where we can say we are Ontario residents, we believe in economic health and development and our new plan for an economic strategy must consequently rest on hydro rates and must be directly connected with what Hydro does. If we fail in this endeavour, we will be judged very harshly and will be unable to face our residents when they ask what we have done to force them out of their homes, to close jobs and push out industry.

Mr Villeneuve: I am pleased to participate for a short time in this debate, which I gather will terminate today. Hydroelectricity and Bill 118, as it will affect hydro and as it will affect everyone in rural Ontario, is of great concern to me and should be to everyone who represents rural ridings particularly, where hydro is really the only source of conventional energy as we know it. Bill 118 plans to put a lot of power in the hands of bureaucrats, and that is of concern to us all.

As most members of this Legislature know, there are alternative uses for some of our byproducts, some of our waste products, and I want to touch on that. I am pleased to see the Minister of the Environment here in the Legislature today. She will be getting a request from the township of Charlottenburgh, which I very proudly represented until 1987 when redistribution placed it within the riding of Cornwall. I got word from the municipality, as a matter of fact, yesterday afternoon that it is looking at a waste-to-energy program which will be using the Ogden Martin waste system. I want to talk about that this afternoon because many people have said: "What's the alternative? A 40% increase in the cost of power." But the government has not provided us with an alternative.

We have had some prosperity in this province and companies that manufacture automobiles formerly manufactured offshore and in Japan have come to Ontario because of two main things: first, an energy supply that was plentiful and economical and, second, a labour force that was available. We are going to lose one of those trump cards. The fact that hydro will be going up in price within

the next four years somewhere in the area of 50% is very alarming. Bill 118 is probably one of the contributing factors.

I know Ontario belongs to the North American power grid. In order to belong to the North American power grid, you are supposed to have the ability to produce 25% more energy than you actually need, so you can transfer back and forth when the requirement comes from the United States or western Canada. You belong to this North American power grid and therefore you are able to supply power in times of need and are able to receive power in Ontario in times of need as well.

I know the government is on a conservation kick, which we all agree with, but there is a limit to what you can conserve. When Ontario Hydro starts paying people to go from electric heat to natural gas or some other source, then I say there is something drastically and fundamentally wrong with that type of system. This is what we are being faced with right now.

However, with the waste-to-energy, I had the opportunity of visiting Bristol, Connecticut, in the middle of the summer with a number of my federal colleagues and the majority of councillors from Charlottenburgh township. We spent one day at Bristol visiting Ogden Martin Systems Inc. I have some information here. Again, this will probably be as interesting to the Minister of the Environment as it will be to the Minister of Energy. The Ogden Martin system was set up on 18 acres of land in Bristol, Connecticut. It has two incinerators for 325 tons per day per unit; maximum 650 tons. They take the waste from a population of 250,000 and convert it to energy to generate electricity for 15,000 homes. A city the size of Cornwall is actually electrified by this plant in Bristol, Connecticut, using approximately 650 tons of garbage per day.

1640

We visited this plant and we had one of our most severe environmental critics with us, a man who is a graduate from the late 1950s with an environmental science degree. Both he and his wife have one. He is highly respected. His questions occurred not only that day, but were subsequent to the visit. The man's name is John Milnes, from eastern Ontario. I was speaking to him again recently and he is quite satisfied that the emissions and indeed the method of operation in this waste-to-energy plant are state of the art. The incineration is at very high temperatures.

We can compare that to, say, the Lakeview generating station here in Mississauga, just west of the city of Toronto. I had occasion to be out on Lake Ontario this summer on a fishing expedition on a very warm day, and as the four sisters fired up, we could see the plume coming from the first, the second, the third and the fourth. Remember, this is a coal-fired generator at Lakeview. It was putting a haze out over the city of Toronto the likes of which I could hardly believe. The only reason we could see it well is that we were out on Lake Ontario. It was very obvious that this is a major polluter here in Ontario. When we compare that to the Ogden Martin system of incineration, then we really have no comparison, because we have no plume and very limited emissions.

The Ogden Martin system is most interesting in that I saw not one seagull in the area. Everything is done inside.

It reminded me very much of a large grain elevator, a grain-handling facility, with a lot of height to be able to incinerate the garbage. The trucks come there, they go inside and they dump on a concrete floor. An inspector looks at the material and then gives the payload the okay to put it into the pit, from whence it is hoisted into the incinerator and transformed into steam, with a generator turning out enough power for 15,000 homes—a very slick setup.

I want to tell the Minister of the Environment that the tipping fees are about \$45 per ton—I emphasize, \$45 per ton—where we in Ontario are well over the \$100 tipping fee per ton of garbage and rising. I often have the comparison thrown to me that it is much more lucrative to be tipping garbage or to be receiving garbage than it is to be growing grain in this province, which is food for human consumption. However, that is a story for another day. We do have an alternative. We can turn waste to energy. We can and we will recycle, because this is part of this Ogden Martin project.

I want to state here that the air pollution control equipment is dry flue gas scrubbers and fabric filter baghouses. There is no effluent. There certainly is no visible plume. Since the waste-to-energy establishment has been in place, apartment buildings have been built in the immediate vicinity with absolutely no problem at all.

An hon member: It's low in ash too.

Mr Villeneuve: The ash, yes; that is a very good question. The garbage is reduced by 90% in volume and 75% in weight. The ash, which is both fly ash and ground ash—there is no fly ash that leaves the flue. It is all accumulated at the plant and utilized to seal existing landfill sites that presently are putting out some gases that are very detrimental to the environment. That is what the ash is being used for. Members should remember it is being reduced by 90% by volume, 75% by weight, and that is what happens to the ash. They are using it to seal old landfill sites that are putting out gases and creating havoc for the environment. I believe some of the gases that are coming from these garbage sites are very contributory to the greenhouse effect in our atmosphere. That is what the fly ash is being used for.

We saw absolutely no negatives to this, so this is very definitely a possibility. The facility has allowed the participating towns to focus on recycling and planning. State-wide recycling is mandatory and the communities are looking at an overall waste management system that includes resource recovery, recycling and landfilling. That is, I think, a very viable alternative and it kills several birds with the same rock, so to speak, because it actually generates from waste some very badly needed electricity and it is also really reducing very considerably the requirements for landfill sites, which produce methane gas, which is something that is certainly not very desirable in our environment. I know I may seem to have strayed a bit from Bill 118, but I am providing some alternatives to both the Ministry of Energy and the Ministry of the Environment.

I could not terminate without putting in a word for the production of ethanol, which is also a renewable power source, and it would involve several ministries, including

the Ministry of Energy, the Ministry of the Environment, the Ministry of Transportation, the Ministry of Agriculture and Food and the Ministry of Municipal Affairs. It is a renewable resource. It would reduce by one third the carbon monoxide and carbon dioxide in the air.

As we look at the Lakeview generating station and the number of cars in this very city, we must look at both alternatives, the production of ethanol and waste to energy, which are of utmost importance to successfully getting back to a productive economy here in Ontario and doing away with our waste.

I would not want to see any human being trying to divide the garbage that would be so-called recyclable and non-recyclable. I defy anyone to ask any human being to sit there or stand and work at trying to divide that garbage as it is incinerated in the system I had the opportunity of visiting this past summer.

In closing, Bill 118, unless it is amended quite extensively, will not solve the energy problems of the future. Providing a salary, and it has been talked about by almost everyone who has addressed this from the opposition side, in the \$400,000 bracket to someone coming from another province with a somewhat clouded reputation—it would be nice to make sure that everyone is on side. When we have eight members of the management of Ontario Hydro showing great cause for questions on this new chairman of Hydro, I say we should have a very close and second look at this.

In summary, I emphasize that we must look at waste management and turning waste to energy in order to stay in the ballpark. We have many electrically fired steel mills in northern Ontario that are just waiting for the first increase in the cost of energy to skip across into Quebec, where they have energy. They have lots of hydro. As a matter of fact, they have a surplus to sell. This inevitably will happen, and I hope the Minister of Energy is listening closely, because he can provide as many dollars as he wants to some of the uranium-producing towns. It is only going to be on short notice, a short stay of execution. If our main industries, our main steel mills, because of the cost of hydro, wind up in the province of Quebec, that will solve absolutely nothing.

1650

Hon Mrs Grier: I cannot let that speech go by without commenting on the member's conversion, or maybe adherence if it is not a conversion, to the principle of incineration of waste, and just setting the record straight and clearing up perhaps some of the misconceptions the member may have left in the minds of other members.

Incineration is certainly not an appropriate way to reduce waste. It leaves you with a residue. Ironically, the kind of pollution control equipment the member indicated was on the incinerator he visited creates ash and waste that is even more toxic than those from incinerators that do not have adequate air pollution controls. The more effective the stack controls, the more toxic the waste that has to be disposed of. A landfill site has still to be found for that toxic residue. The cost to build and operate incinerators is far greater than the cost of landfills. The transfer of the

contaminants from land to air is not an environmental solution. More than any of that, incinerators work against reduction, reuse and recycling.

As the member must know, the core of this government's waste management program and policies is that we reduce the amount of waste there is, reuse what we can and then recycle. Having an incinerator, an easy catch-all where you can throw everything, works directly in opposition to that approach. The things that burn at the highest temperature, plastics, wood and paper, are the products for which it is most easy to find secondary uses and markets. I think the member's rather facile characterization of energy from waste as the solution not only to energy problems but to waste problems is very incorrect.

Mr Villeneuve: I thank the honourable Minister of the Environment for her participation. Ash, we are told, is being used. It is amazing that if indeed what the Minister of the Environment is saying has not been proven in the United States and we are still wondering about the accuracy of what was said—because this is state-of-the-art incineration at very high temperatures and we are told that the toxic effect is neutralized because of the high temperatures—we quite obviously have an impasse here. But the people in the know were quite satisfied with the ash as a sealer for existing landfill sites to prevent methane.

The minister keeps talking about landfills. When I hear some city people start telling me my cattle are polluting the air with methane and yet we have landfill site upon landfill site producing methane, spewing it out into the air, and no one says anything except that we are going to create more landfill, I have a little problem with that. I have a little problem with that as one who lives in Ontario but particularly as a farmer. When I am being accused of polluting with methane because I happen to own cattle, I do not accept that.

In reply to the minister's questions, over \$1 million was spent on a political exercise in the Ottawa area to prevent the Ottawa Senators from having a 98-acre site for an arena. Is she saving that for a garbage dump? Surely not. The grain that 98 acres will produce will not even bring in two thirds of the price of tipping of garbage.

Landfills, in my humble opinion, are not the answer. It is a matter of creating a monster that someone else will have to deal with in the future.

Ms Carter: Opposition members have been accusing the government of causing Ontario Hydro to abandon the principle of power at cost. This plan is totally unfounded. This is what I want to speak to.

The water-powered generating stations which provided Ontario's first electricity production were and are cheap, clean and durable. Apart from capital costs and regular, predictable maintenance, hydro power is virtually free, but for most of this century Ontario Hydro has pursued a policy of encouraging extravagant power use. As generating capacity and demand leapfrogged over each other, Ontario began to run out of hydro sites. Polluting and non-renewable fossil fuel generation and nuclear power were brought on stream. Nuclear power now accounts for something like half our consumption. Unfortunately, nuclear-powered

generation is not as cheap, as long-lasting or as reliable as hydro power.

We are now in a situation where each new unit of power generated costs much more than the average cost of existing production. This average is being held down by the virtually free but proportionally dwindling hydro component. We could say that existing users are subsidizing new users as power rates rise. This is why it makes sense on fiscal grounds to use power more efficiently rather than to allow demand to grow and build more facilities to meet that demand. It can be seven times cheaper to substitute efficiency for new generation. Several states in the United States are discovering this and they are some of the places I think industry is going to.

If consumers are going to pay costs, I am sure they would prefer those costs be kept down. Under the latest technology, there is enormous scope in this province for power-saving through efficiency. We are told that power costs will go up about 40% over the next three years. This is not a departure from the principle of power at cost. This is the cost incurred by previous governments that insisted on the building of more and more nuclear generating stations, although their efficiency and durability had not been proven.

Darlington cost about \$14 billion. It does not work. The performance of the older stations has been declining from year to year. When they seemed to be running well, they were run flat out and maintenance was neglected. This government is committed to running them as safely and efficiently as possible. Hydro is also now incurring the cost of renovating transmission lines and catching up with other maintenance work.

The opposition has objected to the suggested remuneration of the chief executive officer of Hydro. At \$400,000, that would correspond to one thousandth of the cost of retubing one nuclear reactor, and a lot of them have had to be retubed. The costs of nuclear power come in billions, not millions or thousands. Hydro's borrowing is one underlying cause of fiscal problems in this province and leads to the siphoning off of vast sums in overseas interest payments.

Now I would like to address the concern over the proposed payment by Ontario Hydro to Elliot Lake. When Hydro was paying as much as seven times the world price for uranium to Denison Mines, that was never challenged by the Hydro board of the day as being contrary to the principle of power at cost. The facts were kept secret and power users in Ontario paid the difference. Over \$2 billion was unnecessarily spent in this way. By putting a time limit on this contract, Hydro has saved its consumers \$1 billion of future expenditure. It was only fair that a small fraction of the sum saved should go to ease the transition in a city which was, after all, built by and for Ontario Hydro. This was a unique situation, not a precedent.

I want to tell the opposition that if we do not work together to hold down our demands for electric power, which can be done without suffering an inconvenience, and make the transition to efficiency and the use of renewable generation facilities, then the cost of power will go up not just 40% in the next three years; if we build more

nuclear facilities, the cost of power will escalate out of sight. We shall be forced to use less because we can no longer afford the cost.

Shall we encourage industry to be efficient, thus becoming more competitive and generating more jobs, or shall we drive it away because of expensive nuclear power? Better to plan for efficiency and pay less, both because we are using less and because we have kept the unit costs down, than invest in a power source that has shown itself to be uneconomical. Look at the billions, please, not the thousands and millions.

I challenge the opposition: How would they provide power at reasonable prices? Nuclear will not do it. Energy from waste will not do it. Efficiency will.

1700

Mrs Fawcett: I welcome the opportunity to participate in this increasingly controversial debate on Bill 118, An Act to amend the Power Corporation Act.

The proposed amendments to the Power Corporation Act have certainly caused a great deal of concern for many of the constituents in my riding, as well as the many public utilities commissions in the riding of Northumberland. I have received detailed letters from Alvin Ramer of the Colborne Public Utilities Commission, Gerry Houston of Port Hope Hydro, Bruce Craig of the Campbellford Public Utilities Commission and John Dudley of the Cobourg Public Utilities Commission, who are very nervous and have expressed their concerns about what is in store for the future.

The basis of their concern, and mine as well, is that under Bill 118 the provincial government would be able to issue policy directives that would bypass the democratic legislative process and would be binding on Ontario Hydro. This could force Hydro to do things that are outside its current mandate, which is the provision of safe, reliable power at cost.

I am not suggesting here that the Ontario government does not have a responsibility to ensure that Hydro acts in a manner reflective of the government's policy. However, and more important, Hydro must have the ability to safeguard the interests of its ratepayers.

As was the case under the previous government, ministers' policy statements must relate to Hydro's exercise of powers under the Power Corporation Act. I am most concerned that under Bill 118 this restriction is lifted. There should be no restrictions at all on the kinds of policy directives it can make. This government could order Ontario Hydro, the way this bill is written now, to do anything. We have seen what has happened in Elliot Lake, Kapuskasing and Spruce Falls. The government has used Hydro, and ultimately its ratepayers, to fund its regional economic development plans. This was done *carte blanche*, and certainly distorted the current mandate of Hydro.

What are we to expect? Is this the thin edge of the wedge? Will we see a whole new mandate for Ontario Hydro in the future as the government slowly manipulates that mandate to suit its own purposes?

I see some members opposite shaking their heads and reacting almost with indignation. Well, they should tell me why I should believe them that this government's intentions are as pure as the driven snow. It closed the fish hatchery in my riding of Northumberland with apparently no reason, or with reasons known only to it, which certainly were a mystery to many people. Then they decided to close two registry offices in Northumberland, and these were making money, something novel for a government. Really, there were no apparent good, economic reasons. We could not find a really solid reason there as to why.

Yesterday we heard the member for Kenora speak of three Ministry of Natural Resources nurseries that are going to be clear-cut. Orono is one of the nurseries that is slated, and while it is not exactly in my riding, it is very close and provides trees for many people in the riding and in the area.

The government apparently consulted with the employees and told them they had nothing to fear, that this was just a revamping to make better use of the resources available. Now their jobs could also be clear-cut. They look at the new organizational sheets and cannot find themselves after being told there was no fear, their jobs were secure. And they say: "Trust us. We're from the government. We know what's best for you." I have a problem with that because I just wonder what is coming next, especially in Northumberland.

At the very least, the proposed amendments to the Power Corporation Act, and this one in particular, are threatening Ontario Hydro's mandate to supply safe, reliable power at cost. Any directive issued by the government must be related to Hydro's mandate of providing power at cost. The ratepayers in my riding are going to be furious when they find out that the projected increases of over 44% over the next three years really have nothing to do with the cost of providing power but are simply a tax grab used to fund this socialist government's agenda.

I would like to remind this government that for many in my riding, Ontario Hydro is a major source of heat and power. We do not have the luxury of natural gas being able to be piped into our homes in rural and eastern Ontario. Ratepayers are not just people who own homes; ratepayers include farmers who, along with their homes that must be heated and serviced with hydro, require a considerable amount of hydro to run their various operations. They are under a great deal of financial stress already, with no immediate relief.

I have recently spoken with Gerben Dejong, a hog farmer in my riding. Gerben tells me his current hydro bill right now is \$1,000 a month, \$12,000 a year. Should the 44% increase become a reality, as predicted by the government's high-priced chairman, Gerben's hydro bill will be \$17,280 by the end of the three years. That is an increase of \$5,280. How can Gerben and the other farmers ever be expected to accept this rate and compete in the marketplace? It is impossible.

Just last Friday I spoke with Clyde Frew of MCM Food Processors Ltd in Hope township in my riding. This energetic company proposes to expand—imagine that, a company that wants to expand—its processing lines of

production which would generate employment, not lay people off, not only for those who would be working at the plant but for those growers who would be supplying the plant with crops.

To accommodate this expansion, Mr Frew has asked Ontario Hydro for an increase in hydro service to approximately 800 amps. He has been flatly refused by local Hydro officials, who say their policy only allows for 600-amp service to his company. I wonder what the Minister of Agriculture and Food thinks of this. Here we have an enterprising agricultural industry wanting to grow and provide more jobs, and now MCM has to factor into its decision to do this Ontario Hydro's restricting its ability to compete, not only by increasing its rates by 44% over the next three years but by not even allowing it the power it needs to run the expanded operation.

1710

It is this kind of conflicting message that needs to be addressed by this government. Also, there are ratepayers who are employers in the industrial sector, trying to compete and provide jobs that will allow people to fully participate in today's society. There are investors who will be considering places to locate, like the industrial parks in Port Hope, Cobourg, Colborne, Brighton or Campbellford. How can people like Frankie Liberty of the Diamond Triangle Economic Development Commission encourage them to come and invest here when they know that their power source is going to have to be subjected to increases that really have nothing to do with the cost of providing power?

A further concern for those of us in rural Ontario is the amendment that gives Hydro the power to provide incentives or loans to encourage the switch from electrical heat to non-electrical-based space heating systems. Given that electrical space heating is one of the most inefficient of home heating systems, I would concur with an effort to investigate alternatives. However, I would also suggest that this could be more appropriately dealt with and funded through the Minister of Energy.

I remember my late father, when the push was on 10 to 15 years ago for everybody to switch to electric heating, saying: "Don't believe that anything is going to be cheaper. As soon as they hook enough fish in on this, then up goes the cost and away we go." I wonder now, is this just another scheme, another revisitation of the same old story?

It would be safe to say that customers switching off electric heat will likely move to natural gas, which is a more environmentally and economically sound manner of heating, but I would remind this minister that for those with forced-air furnaces, it would be a cost of between \$4,000 and \$5,000, and for those without a forced-air furnace, it would be between \$8,000 and \$10,000 to convert. How much of the cost is Ontario Hydro going to ask its ratepayers to subsidize? I would ask the Minister of Energy, should Hydro ratepayers be responsible for subsidizing others to switch off electricity?

In our county of Northumberland, many ratepayers are not serviced by natural gas pipelines and therefore they do not have that option to switch from electricity to natural

gas. Yet the government will be burdening them with rate increases to pay for these subsidies to others. While natural gas is currently an economically viable alternative, there is no guarantee that this will always be the case in encouraging people to switch off electricity-based heating.

All the issues surrounding gas, including pipeline capacity cost, reliability of delivery and direct purchase will become more important in developing such an incentive program. All the long-term implications must be considered. I would strongly suggest that this government work with Ontario Hydro and the gas companies to address the issues of communities like the small ones in my riding, like Warkworth, Garden Hill, Morganston, Gores Landing, Wooler and all the rural areas. What are they going to do? They do not have those pipelines and their costs will just bury them. They really need to look at all sides of this conservation issue of theirs before making a decision.

My colleagues the members for Ottawa South and Renfrew North have done an admirable job of outlining many more of the concerns that we in this party have with the bill. Perhaps I could just take a moment to touch on one that will affect every ratepayer, regardless of his ability to pay. Hydro rates indeed are skyrocketing at unprecedented levels. In 1991, we saw an increase of 8.6%. The 1992 rates announced by Hydro will see an increase of another 11.8% on the average, the highest annual increase in over 10 years. Just a couple of weeks ago it was indicated that hydro rates will increase 44% over the next three years.

Surely these amendments will only add fuel to the ever-increasing flames of hydro rates. How much more money can the ratepayers be asked to pay? What about those on fixed incomes like the many senior citizens in my riding? How are they going to be expected to cope with 44% increases? Will this government ensure that its payments to seniors reflect these types of increases?

In closing, I would urge this government to reconsider this Bill 118 in light of the ill-conceived ramifications it would have on many Ontarians. Let Hydro continue to manage our province's most valuable resource under its current mandate of supplying safe, reliable power at cost. Do not turn Ontario Hydro into a catch-all for this government's regional development agenda at the expense of its ratepayers. Lastly do not hide behind the regulatory process. Any future changes must be made with open and full debate in a democratic society here in this House.

Mr B. Murdoch: I would like to speak on Bill 118, An Act to amend the Power Corporation Act, on behalf of the Owen Sound PUC, the Meaford PUC, the villages of Chatsworth, Dundalk, Flesherton, Markdale, Neustadt, Shallow Lake, and the towns of Durham, Hanover and Thornbury, and the townships of Egremont and Normanby, and the rest of the rural people in Grey who have all asked me to assist them in their struggle against this legislation. They are totally opposed to this bill as they feel it threatens to destroy our long-standing tradition of Ontario's offering electrical power to the people at cost. They are afraid that hydro rates will now become simply a new source of tax revenue for this government.

Since the government has bailed out Elliot Lake and Kapuskasing, I am afraid that because of the new powers given to the ministry by allowing them to issue directives, not merely statements, they may well pass this huge cost on to Hydro's consumers. We have no guarantee this will not happen. We feel that government should provide these social safety nets if they wish to, not the ordinary people who need hydroelectric power to go about their daily lives. How many more taxes can our people bear? Now this government is threatening to deny people heat and light if they simply cannot pay more, and we believe that they will have to pay more.

My local PUCs also want to know, as does my caucus, what the long-term projections are in terms of supply and price for natural gas. We do not know. No one has shown us these. Do we have the pipeline facilities to get gas here from Alberta? There are a lot of questions which remain unanswered. But even if we had the answers, this would still be bad legislation. Hydro and our taxpayers should not be subsidizing other forms of energy. If people want to switch, they should not receive public assistance. We should keep a free market system.

My constituents feel that this government will now be able to issue policy directives unilaterally which will bypass the legislative process. I cannot help thinking that this is one more example of the contempt this government feels for those members of this House as it completely ignores the democratic process which we have cherished for years.

I agree with the municipalities in my area that ask that this government withdraw the portions of Bill 118 that deal with policy directives that would change the mandate of Ontario Hydro and force its consumers to bear the cost. They also ask that the government and Ontario Hydro not finance social assistance programs and other government initiatives unrelated to Ontario Hydro's mandate through the cost of power. This is dangerous legislation. It completely disregards the principle of democracy and it will cost the taxpayer dearly.

1720

I also have a letter which was sent to me from the Owen Sound PUC.

"On behalf of the Owen Sound Public Utilities Commission, I am writing to express our opposition to Bill 118, An Act to amend the Power Corporation Act. As you are aware, this bill is now undergoing second reading in the Legislature.

"Bill 118 threatens to destroy Ontario's long-cherished principle of power at cost by making electricity rates a new source of tax revenue for the provincial government.

"Under Bill 118, the provincial government would be able to issue policy directives that bypass the democratic legislative process, are binding on Ontario Hydro, and that could force Hydro to do things that are outside its current mandate—the provision of safe, reliable electricity. In addition, Bill 118 would force Ontario electricity consumers to pay for these policy directives through their rates. A good example is the recent \$250-million Elliot Lake bailout. This is unacceptable.

"We also object to the sections of Bill 118 that permit Ontario Hydro to subsidize fuel substitution through electricity rates. This is unnecessary, as market forces alone are enough to encourage certain types of fuel switching. Private gas companies should not be subsidized from electricity costs.

"Bill 118 is flawed legislation that sets dangerous precedents and allows a new hidden tax grab by the provincial government.

"We look forward to your support in our fight to change Bill 118.

"Yours very truly, Harold Gard, general manager."

I also have a motion they sent me that the Owen Sound PUC passed. It was moved by O. L. Jackson, the mayor of Owen Sound, and seconded by W. C. Loughheed, a past mayor of Owen Sound:

"Whereas the government of Ontario has introduced Bill 118, An Act to amend the Power Corporation Act on June 5, 1991; and

"Whereas Bill 118 contains provisions that would permit the government of Ontario to issue binding policy directives to Ontario Hydro to change the mandate of Ontario Hydro and to finance the cost of government policy directives through the cost of power to municipal electric utilities; and

"Whereas Ontario Hydro has recently been forced to make an unnecessary \$250-million expenditure associated with the legitimate renegotiation of uranium contracts and the associated community assistance package for Elliot Lake; and

"Whereas there is a growing concern that Ontario Hydro is becoming an instrument for the provincial government's social policies instead of being the provider of safe, reliable, sufficient electricity at cost; and

"Whereas municipal electric utility customers should not be financing the government's social assistance programs in their cost of power in the form of hidden taxation,

"Be it resolved that the Public Utilities Commission of the city of Owen Sound requests the province of Ontario to withdraw the sections of Bill 118 dealing with policy directives that would change the mandate of Ontario Hydro and force electricity customers to bear the costs of these directives in their rates; and

"Be it further resolved that the Public Utilities Commission of the city of Owen Sound requests the government of Ontario and Ontario Hydro to not finance social assistance and other government initiatives unrelated to Ontario Hydro's mandate through the cost of power and, further, that a copy of this resolution be sent to the Premier of Ontario, the Minister of Energy, the chairman of Ontario Hydro, Mr Bill Murdoch, MPP and the Municipal Electric Association.

"I hereby certify that the above is a true copy of the resolution of the Public Utilities Commission of the city of Owen Sound passed at its meeting held on September 18, 1991."

It is signed by the general manager.

This is just one of many letters I have received from our public utilities commissions and electrical people in

Grey county. They are certainly concerned about this bill and hope this government will change its mind.

Something else happened on October 3 in this House. I would like to read from Hansard a quote from the honourable member for Simcoe West. He stated: "Every year they have to bring in this big portable generator, which is an ungodly sight, at tremendous cost, to get us through the winter up there"—meaning up in Simcoe—"so that industries can continue to have power and so that I and folks at home can continue to turn on our lights and heat our homes."

At that time there was an unparliamentary word said and some people were called birdbrains. I realize maybe that was unparliamentary and the honourable member for Hamilton Mountain said he would withdraw those remarks. At that time the honourable member for Windsor-Riverside quipped in to say, "Why don't we sever it?" not understanding the real meaning of what is going on here in the House.

With remarks like that being said, it only shows that our socialist government does not understand rural Ontario. We do not happen to have gas lines running out into the country where people can heat with it, if that is what they want us to do. Some people only have electricity to heat their homes. They have no other way to do it. Like in so many other bills that our socialist friends want to pass, they do not understand rural Ontario. Until they find out what rural Ontario is all about—

Hon Mr Cooke: And you do?

Mr B. Murdoch: The Minister of Municipal Affairs says, "And you do." I hope I do and I understand maybe he does not at this time. Maybe through the years he will get to understand rural Ontario. Hopefully in his portfolio he does. Obviously at this point he does not when he can make remarks like he does here in the House. That is unfortunate, because birds also have brains over there. The members opposite have to realize that and keep it in mind. It is unfortunate that remarks like that come up. If they understood rural Ontario, we would be much better off and bills like this would not happen. I hope they can reconsider this bill, take a better look at it and come back with something else. They should try again.

Hon Mr Charlton: This is the third day that I have been in here listening to the debate on Bill 118 and I have to start by saying I have been thoroughly disgusted with the level of debate on this bill.

The members across the way have not even taken the time to learn from those who came before them, the members of their own parties, who worked for 15 years on what was originally the select committee on Ontario Hydro affairs and subsequently the select committee on energy. They listened on numerous occasions to the comments of the public utilities commissions across the province, and to the comments of Hydro and a range of other industrial-business groups and energy groups. We sat down and cross-examined evidence instead of just reading out in a rote way the letters that were sent to us.

The members of the Conservative Party and of the Liberal Party on that select committee unanimously supported the approach set out in Bill 118. I recommend to

the members of the opposition to take the time to read both the select committee report from 1986 and the subsequent select committee report in 1989, and perhaps we can start to deal with some of the myths that are floating around in this debate. They are real myths.

I have heard a number of concerns expressed about power at cost and losing the concept of power at cost because of government social programs. The first and biggest social program ever foisted on Ontario Hydro by a government was that of the administration of William Grenville Davis in 1977 to the tune of a \$600-million interest-free loan to the uranium mining companies in Elliot Lake, the very place I hear members complaining about us providing some assistance to in order to clean up the mess that has resulted from those decisions in the 1970s.

1730

Power at cost. What does "power at cost" mean? Power at cost means that Hydro produces power and charges the consumers of this province whatever the cost of that power is. Does it mean Hydro produces power for the consumers of this province that is the cheapest? No. Unfortunately that has not been Hydro's policy. Why? I will come to that in a minute. Hydro has been bound by the policy of power at cost virtually since its inception, but to Ontario Hydro, power at cost has not meant pursuing a least-cost strategy.

A number of people here today and in the last three days who have participated in this debate have talked about our competitiveness. They have talked about the energy rates and the increases that will happen over the next number of years and how those will impact on our competitiveness as a province. The decisions around what the member for Parkdale called the "strategy for uncompetitiveness" were decisions made in the 1960s by the Robarts administration. Those were the decisions that decided to use Ontario Hydro as an economic development tool to artificially create a nuclear industry in Ontario, an industry that did not exist.

The price increases occurring over the course of last year, this year and the two years following flow, as members well know, out of two basic problems that are occurring right now, but are a result of those strategic decisions made in the 1960s, strategic decisions to pursue the Candu system as our primary source of energy.

I say to the member for Parkdale, who was complaining throughout his speech about the government keeping secrets and not making announcements in the House, that the announcement was made a year ago April by the former Minister of Energy in the Liberal administration, when the 8.6% increase of this year was announced. The increases last year, this year, next year and in 1994 are increases that result from, first, the completion of the Darlington generating station, with in each of those years one reactor coming into service, and the costs of that one quarter of the Darlington system coming due and payable and being dumped into the rate base.

That is the first and primary cause of the significant price increases. The stability to which the member for Niagara Falls referred in her speech is simply a stability which happens at the end of that four-year process of

dumping the capital cost of Darlington into the rate base. The stability results when we no longer have to dump \$3 billion or \$4 billion into the rate base in one shot.

The second major problem also flows out of decisions made in the 1960s by the Robarts administration. These are problems that relate to the operational difficulties being experienced at both Pickering and Bruce—nuclear stations, as members well know because it has been debated in this House a number of times, that were supposed to operate at 80% capacity over their lifetimes and that are now operating at about 50% capacity. Their lifetime average is falling all the time. Every time that operating capacity falls, the cost goes up and the price of energy goes up.

We could make the same mistakes again. I have heard a number of opposition members talk about how we are delaying or are going to delay the construction of the next nuclear plants that Hydro wants to build, and at the same time they are saying we have to make a commitment to eliminating Hydro's debt.

Hydro has a proposal before environmental assessment that is presently going on. That proposal calls for another \$61 billion of borrowing by Ontario Hydro. How can we, as members of this Legislature, ask with any honesty that we allow Hydro to proceed to provide the safe and reliable power we want when we know that the nuclear facilities are not working properly, that we have not resolved the reliability problems, and that Hydro wants to increase the debt, which the opposition says is already too high, by \$61 billion?

This debate is about serious study that was done by all three parties present in this Legislature. I close off my remarks by commending to the members of the opposition that they sit down and read the two reports of the select committee, reports that were signed and supported unanimously by the members of their parties.

Let's learn from those who came before us. Let's learn from those who took the time to understand what this game was all about and what we had to do over time to change it. Let's learn from the efforts our predecessors made to understand the mistakes of the past so we would not make them yet again today.

Mr Cordiano: I want to say to the member who just spoke that indeed conservation has a price, but certainly the price his government is proposing in order to bring about conservation is quite high for those on fixed incomes if we see rate increases of the magnitude the government is talking about, which will be somewhere in the neighbourhood of 44% over three years.

He can justify that in the name of conservation, but how can he justify that for people who are on fixed incomes or on low incomes? I quite frankly do not agree with him. The result and the consequences of what the government is planning—

Interjection.

Mr Cordiano: Obviously the member is talking about increases in costs which historically have accrued and are now coming due. That is fine; that is understood. We do understand that on this side of the House. But I want to say to the member that I think it is completely unfair when we

have those kinds of across-the-board increases that will result from efforts being put forward by this government.

We know what the intention is. We know the chairman of Hydro intends to bring about those rate increases all in the name of conservation. Quite frankly, to bring about conservation by increasing rates is preposterous. It is going to destroy our economy even further and erode confidence even further.

One of the most important pillars of economic growth in this province was the fact that we had ample, relatively cheap power. The government can bring about conservation, and I think it can bring about greater efficiencies, but when it does so with rate increases, it has an effect on the other side of the equation, which says we are going to have a negative economic factor to deal with.

I think the government has to take that into account. They cannot simply say we are going to have conservation, increase rates for conservation, increase the cost of using automobiles for conservation, increase costs all across the board so people will rely less on the usage of their vehicles or on the usage of energy that is available to them.

We are in this country one of the biggest users of energy in the world, no doubt about that. But I think we have to keep in mind that you cannot bring about wholesale changes in a short period of time which have dramatic impacts on the economy. We are in a fragile state of affairs right now, and I do not think those people across the way really understand just how fragile it is and how much of a crisis we are in right now with respect to our economic future.

1740

I think we have to fight like hell to ensure that all the factors that go into making an economy more sound are in place and to structure the economy in such a way that we will have a future outlook that is brighter. If we do not do that, we are seriously going to jeopardize any kind of recovery, which will take, I believe, longer now than it was at first anticipated. None the less, we will have a recovery and it depends on what this government does to a great extent. They have to understand the impact of what they do.

When we talk about what is being proposed, I do not think Bill 118 is necessary to bring about conservation. There is no doubt about that. That may not be the central focus of this but, on the other hand, to provide power at a reasonable cost for people is not really the mandate that was initiated in the first place. I do not think that is going to go far enough in terms of protecting our future economic growth.

When the government of the day decides to change rates it can do so, and that is obviously the intention. I know the minister commented on this the other day. He said the intention of the bill is to fulfil the mandate of the government of the day. That is a wide-open mandate, I would say. The mandate should continue to be some provision for consumers to be certain of what future supply is going to be like and what cost factors should be considered when economic planning takes place. That is what we have had in the past and that is what we will fail to have in the future when this bill goes through.

Demand for hydro is increasing, not decreasing and, as I say, we are in a recession and perhaps the recovery is not as quick as we would have liked and, of course, that brings about conservation. Was it Arthur Dickenson, executive director of the Association of Major Power Consumers of Ontario, who said, and the minister would be familiar with this, "One way to get better efficiencies and demand down for hydro for energy is to get people out of business"?

That is exactly what we are going to do when we bring about rate increases of the magnitude that are being talked about here. We are going to further provide disincentive to people who are thinking of investing in this province. There is no doubt about that. People are flocking to the US by the hordes to shop and to invest. We know that is happening. This will just be another nail in the coffin which says to people, "Look, we are not going to have that advantage of providing you with an efficient, low-cost source of power." It is simply not going to be there.

Hon Mr Philip: Is Bourassa giving them an advantage?

Mr Cordiano: I do not know if Bourassa is giving them an advantage. I am sure he is going to try to give them an advantage, and I know that Quebec and other provinces in this country are going to try to attract investment into their provinces. That is the nature of things. If this government is going to compete with other jurisdictions, it has got to keep that in mind.

Other jurisdictions will continue to provide as much incentive for investors to locate in their province as possible. I do not think there is any doubt about that. If we fail to understand that we are in competition with other jurisdictions for investment, which this province depends on to a great extent, this government fails miserably in understanding how our economy functions.

I say to the minister, who is present, that she has to be concerned about what rate increases she does bring in for those industries that are largely dependent on a low-cost source of power.

I know the government across the way has made the argument many times that free trade has destroyed our economy and free trade has brought about real competitiveness in those industries which are unable to compete and have gone by the wayside. They have got to understand that this would further reduce the ability of those industries that are on the brink in terms of their ability to compete with other companies in their industries, other jurisdictions. I think they should keep that in mind.

I want to raise the issue with respect to Elliot Lake and the directive that was signed on June 6. We had some comment earlier about historical perspective, and I know there is some concern with respect to Elliot Lake recovering from the economic devastation that it faced. We all are in favour of that.

It is quite controversial in the sense that we do not want to make a community like Elliot Lake have further difficulties. But the problem with the directive that was signed is that Hydro provided \$65 million through the Northern Ontario Heritage Fund Corp, and that certainly is not within the mandate of Hydro. The fact of the matter is that when we look at the whole question of what happened

in Elliot Lake, we see that it is not the best way to bring about economic diversification, and I agree with that.

Hon Mr Philip: What would you do?

Mr Cordiano: There are other things that could have been done. The fact is, the minister has done it.

Hon Mr Philip: Why didn't you do them?

Mr Cordiano: We did not have the crisis that the government faced just recently. We did not have that imminently on the horizon. It happened while they were the government. That is why we asked them to do something about it.

Hon Mr Philip: You had no idea it was coming?

The Acting Speaker (Mr Villeneuve): Order, please.

Mr Cordiano: That is fine. I am having an interesting dialogue, Mr Speaker.

The Acting Speaker: Could you please address your comments through the occupant of the chair. If the honourable minister wants to reply during the question and answer period, he is most welcome to. But the honourable member for Lawrence has the floor.

Mr Cordiano: Quite frankly, the issue was a difficult one. I do not want to say it is not. We had a situation where this had been ongoing, but I do not think the solution they brought forward was the correct one. We need to provide a direction, a policy for one-industry towns which we have been struggling for in this Legislature for quite some time over the years. Quite frankly, we simply we do not have the solution at this point in time.

This is a stopgap measure, but it sets a terrible precedent. In the future, it behooves this government to look at creating a policy which will look at one-industry towns and continue to search for the answer and continue to look for economic viability for a number of these communities.

To simply throw money at the problem without having a concrete plan is not the answer. It is not the best way to efficiently use those funds. I say to the members opposite that we have very scarce running resources. They are running a huge deficit, and those funds would be better used to develop a strategy which would be in effect for all of northern Ontario, for one-industry towns and for those communities which have suffered severe setbacks in the last little while.

We will be moving forward with this. There are a number of issues. I want to reiterate the fact that a 44% rate increase is not justified and cannot be justified over a short period of time. It will have serious implications for people on fixed incomes, serious implications for industries that need low-cost power. Those are devastating numbers for those companies in those industries which continue to be vulnerable and on the brink. I say to the government opposite, think carefully on that.

1750

Hon Mr Ferguson: I am pleased to see the interest the members of this House are showing in the amendments now before them. In my concluding remarks, I would like to remind members of the principles of the legislation and take the opportunity to respond to some of the more im-

portant points, however misrepresented at times, made during the debate.

We in Ontario are facing energy challenges. Without question, we must protect the environment while ensuring that the province continues to have a reliable supply of energy at reasonable prices. To meet these challenges, the government has announced new energy directions, the primary goal being, of course, to concentrate more of our resources on controlling growth in the demand for energy and to ensure we use energy efficiently.

Since last fall when we announced our new energy policy in the speech from the throne, we have been moving decisively to give effect to the new direction. Ontario Hydro now expects an additional 1,500 megawatts of peak power savings by the year 2000, on top of the 3,700 megawatts already identified in its demand-supply hearings. The total of 5,200 megawatts is equivalent to the capacity of one-and-a-half Darlington-type stations. Ontario Hydro has indicated that these new targets were made possible by the upcoming amendments to this act.

There is no doubt whatsoever that Ontario Hydro has a vital role to play in meeting public priorities, and we expect the provincial utility to work more closely with the government to achieve Ontario's energy goals. To make that possible, we have introduced the amendments to the Power Corporation Act, and honourable members will know that Ontario Hydro will be truly accountable to the people of Ontario for the first time in Ontario history.

When the former Minister of Energy opened debate on Bill 118, she indicated at the time that the government would be listening closely to what is being said. We have listened and we are continuing to listen. The minister also informed the House that the government would be responsive where appropriate, and we are responding.

There has been considerable concern and misunderstanding about the scope and nature of provisions in the bill regarding policy directives. For example, it has been suggested that the amendments would turn Ontario Hydro into a social agency. Concern has also been expressed about Ontario Hydro being used as an economic development tool. I want to remind the House that provisions relating to Ontario Hydro's participation in economic development programs were enacted in 1989 under the previous government. The amendments proposed by this government do not change the provision. Ontario Hydro's participation in Elliot Lake was governed by that provision and this government makes absolutely no apologies about Elliot Lake.

Ontario Hydro has a unique obligation to Elliot Lake in that area. As a statutory corporation and the only remaining purchaser of uranium from Elliot Lake, Ontario Hydro is fulfilling its responsibilities as a responsible corporate citizen by assisting the community to adjust to the winding down of its Elliot Lake contracts. The \$250-million package is a cost to Ontario Hydro, but it is a cost to discharge its legal and moral obligations to get out of the uranium contracts that over the past 10 years have cost a \$1.2-billion premium. If Ontario Hydro had not cancelled the Elliot Lake contracts, the pricetag would have been an

additional \$1.5-billion over the next decade, with corresponding increases in electricity rates.

In the longer term, the saving from Elliot Lake contracts and the benefits from buying low-priced uranium elsewhere will be reflected in electricity rates. Rates will be lower than they would have been if Ontario Hydro had continued to buy from Elliot Lake.

Nor are there any apologies for Ontario Hydro's commercial transaction on Smoky Falls, which has ensured an economic future for the town of Kapuskasing. Ontario Hydro entered into an agreement with Spruce Falls Power and Paper Co to purchase the Smoky Falls Generating Station. This is a commercial arrangement from which Ontario Hydro is obtaining a producing asset, a dam and a generating station. Ontario Hydro has also agreed, as part of that purchase price, to provide the new owners of the mill with power and power credits equal to the value of the output of the generating station, and this government has agreed to compensate Ontario Hydro for the cost of that power and power credits if Ontario Hydro is unable to obtain approval under the Environmental Assessment Act.

The member for Renfrew North suggested that the government's plans for the future of Kapuskasing have been put in jeopardy by Hydro's decision to suspend activity on future hydroelectric development in the Moose River basin. I would like to remind the House that Ontario Hydro's suspension applies only to activity beyond the Mattagami redevelopment project. It is the government's intention to provide for policy directives that will enable Ontario Hydro to work more effectively with government to meet public priorities. Ontario Hydro will not become a social agency, or as some people have said a welfare agency. The amendments will equip Ontario Hydro to play an increased role in the implementation of the government's new energy policies.

These New Energy Directions reflect the public priorities of the decade ahead, priorities that mean we must meet our increasing demand for energy with a balanced approach that takes full advantage of energy conservation and efficiency.

It is the government's intention to move changes to the bill during committee to address misunderstandings that have arisen. Reference has been made to press reports about the likelihood of a 44% increase in rates over two to three years, and this is a clear indication that electricity customers will be forced to pay the costs of Ontario Hydro's involvement in implementing government policy directives. Nothing is further from the truth.

Concern has been expressed about the effect of all this on the position of Ontario Hydro electricity rates compared to rates in other jurisdictions. The latest rate increase means an extra \$7 on the average monthly bill of a residential consumer. This rate increase is really a result of decisions made by previous governments in the past. Darlington alone accounts for about one quarter of the increase this year, and customers will face additional increases when the rest of Darlington is brought into service. Moreover, they will be paying for the \$13-billion cost of Darlington over the next 40 years. What was said was that the rate increases could be in double digits for the next

two or three years. That is what was said, not a 44% increase. This, quite frankly, is the result of costly decisions made by previous governments.

Let me reiterate that when this debate opened we stated that the government would listen to opinions and concerns about the bill. We have done that. In particular, we have heard from the Municipal Electric Association, which we have met with on a number of occasions. We have met with a number of municipal electric utilities and environmental groups and we are seeking to respond to their concern. We will continue to listen as the legislative process unfolds.

I want to conclude by thanking the members of the opposition and the third party as well as my colleagues here for their comments on Bill 118. I would be happy to ensure that this bill proceeds to committee. Members should rest assured that I will not only be listening but hearing what is being said, and I will be responsive where appropriate.

The Acting Speaker: Mr Ferguson has moved second reading of Bill 118. Is it the pleasure of the House that the motion carry?

All those in favour will please say "aye."

All those opposed will please say "nay."

In my opinion the ayes have it.

Hon Mr Cooke: Mr Speaker, by unanimous consent, we would put off the vote until Monday, immediately following question period.

The Acting Speaker: Is there unanimous consent?

Agreed to.

Vote deferred.

Le vote est différé.

BUSINESS OF THE HOUSE

Hon Mr Cooke: Pursuant to standing order 53, I would like to indicate the business of the House for the coming week.

On Monday, October 21, Tuesday, October 22, and Wednesday, October 23, we will continue the adjourned second reading debate on Bill 83, Income Tax Amendment Act, followed by Bill 84, Tobacco Tax Amendment Act, Bill 85, Fuel Tax Amendment Act, Bill 86, Gasoline Tax Amendment Act, and Bill 130, Retail Sales Tax Amendment Act.

On Thursday, October 24, in the morning we will deal with private members' business: ballot item 39 standing in the name of the member for Oakville South and ballot item 40 standing in the name of the member for Kitchener-Wilmot. In the afternoon we will deal with a new motion of interim supply for the period commencing November 1, 1991, and ending December 31, 1991.

LEGISLATIVE PAGES

The Acting Speaker: Just prior to breaking this evening, may I add our particular and special thanks to the departing legislative pages for work very well done over the past number of weeks. We hope they have a very good fall, winter and spring season. Will ye no return to visit us again? To all the pages, thank you.

The House adjourned at 1802.

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Wilson, Jim (Simcoe West/-Ouest PC)

Winninger, David (London South/-Sud ND) PA to Attorney General, PA to minister responsible for native affairs/Ap du Procureur général, ap du ministre délégué aux Affaires autochtones

Wiseman, Jim (Durham West/Durham-Ouest ND) PA to Minister of Correctional Services/Ap du ministre des Services correctionnels

Witmer, Elizabeth (Waterloo North/-Nord PC)

Wood, Len (Cochrane North/-Nord ND) PA to Minister of Natural Resources/Ap du ministre des Ressources naturelles

Ziamba, Hon/L'hon Elaine (High Park-Swansea ND) Minister of Citizenship, minister responsible for human rights, disability issues, seniors' issues and race relations/Ministre des Affaires civiques, déléguée aux Droits de la personne, aux Affaires des personnes handicapées, aux Affaires des personnes âgées et aux Relations interraciales

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CONTENTS

Thursday 17 October 1991

Private members' public business

Compensation for vaccine-related injury, resolution 27	2965
Mr Frankford	2965
Mrs Caplan	2966
Mr McLean	2967
Mr Winninger	2968
Mr Wessenger	2969
Mr J. Wilson	2969
Ms Carter	2970
Mr Jackson	2970
Mr Frankford	2971
Agreed to	2979
Funding of growth boards, resolution 28	2972
Mr Sola	2972
Mr McLean	2973
Mr Martin	2974
Mr Curling	2975
Mrs Marland	2975
Mr Fletcher	2976
Mr McClelland	2976
Mrs MacKinnon	2977
Mrs Caplan	2977
Mr O'Connor	2978
Mr Sola	2979
Negatived	2979

Members' statements

TVOntario	2980
Mr B. Murdoch	
Adult literacy	2980
Mr Winninger	
Land registration	2980
Mr McGuinty	
Waste management	2981
Mr McLean	
Canadian Women's Army Corps	2981
Mr Mills	
Environmental protection	2981
Mr McClelland	
Health insurance	2981
Mr Jackson	
Non-profit housing	2982
Mr Dadamo	
Investigation into release of documents	2982
The Speaker	
Persons Day	2983
Mrs Boyd	
Ms Poole	
Mrs Marland	

Investigation into release of documents	2984
Mr Bradley	
Mr Stockwell	
Mr Elston	
Mr Cooke	
Correction	2986
Mr McGuinty	
Investigation into release of documents	2986
Mr Phillips	

Statements by the ministry

Teachers' pension legislation	2986
Mr Silipo	

Responses

Teachers' pension legislation	2987
Mrs Y. O'Neill	
Mr Bradley	
Mr Jackson	
Land registration	2988
Mr Tilson	
Mr McClelland	
Mr Drainville	
Visitors	2989
The Speaker	
Mr Elston	

Oral questions

Salary of Ontario Hydro chairman	2989
Mr Elston	
Mr Ferguson	
Labour relations	2990
Mr Offer	
Mr Mackenzie	
Mr Harris	
Salary of Ontario Hydro chairman	2991
Mr Harris	
Mr Ferguson	
Elevator inspections	2992
Mr Chiarelli	
Ms Churley	
Land registration	2993
Mr Tilson	
Ms Churley	
Government travel expenditures	2994
Mr Bisson	
Mr Silipo	
Post-secondary education	2994
Mr Daigeler	
Mr Allen	
Retail store hours	2995
Mr Carr	
Mr Pilkey	

Remarks by appointee to police services board	2995
Mr Runciman	
Mr Pilkey	
Consumer protection	2996
Mr Cordiano	
Ms Churley	
Committee meeting	2997
Mr Eves	
Mr Cooke	
Wetlands	2997
Mr Wiseman	
Mr Wildman	
Legislative pages	2998
The Speaker	
Committee meeting	2998
Mr Drainville	
Mr Harnick	
Legislative research service	2998
Mr Chiarelli	

Petitions

Oath of allegiance	2999
Ms Poole	
Winchester District Memorial Hospital	2999
Mr Villeneuve	
Oath of allegiance	2999
Mr J. Wilson	

First readings

Teachers' Pension Statute Law Amendment Act, 1991,	
Bill 140	2999
Mr Silipo	
Agreed to	2999

Second readings

Power Corporation Amendment Act, 1991, Bill 118 .	2999
Mr Ruprecht	2999
Mr Villeneuve	3004
Mrs Grier	3005
Ms Carter	3006
Mrs Fawcett	3007
Mr B. Murdoch	3008
Mr Charlton	3010
Mr Cordiano	3011
Mr Ferguson	3012
Vote deferred	3014

Business of the House	3014
Mr Cooke	

Lists of members

Members and their responsibilities	
Committees of the Legislative Assembly	

TABLE DES MATIÈRES

Le jeudi 17 octobre 1991

Déclarations des députés

Bilinguisme en Ontario	2980
M. Grandmaître	

Première lecture

Loi de 1991 modifiant des lois en ce qui concerne le régime	
de retraite des enseignants, projet de loi 140 . . .	2999
M. Silipo	
Adoptée	2999

Deuxième lecture

Loi de 1991 modifiant la Loi sur la Société de l'électricité,	
projet de loi 118	2999
Vote différé	3014

Listes des députés

Les députés et leurs responsabilités	
Comités de l'Assemblée législative	

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Legislative Assembly of Ontario

First Session, 35th Parliament

Official Report of Debates (Hansard)

Monday 21 October 1991

Assemblée législative de l'Ontario

Première session, 35^e législature

Journal des débats (Hansard)

Le lundi 21 octobre 1991



Speaker
Honourable David Warner

Clerk
Claude L. DesRosiers

Président
L'honorable David Warner

Greffier
Claude L. DesRosiers



Table of Contents

Table of Contents for proceedings reported in this issue appears at the back, together with an alphabetical list of members of the Legislative Assembly of Ontario.

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Numbering of Hansard

Effective with the opening of the Second Session of the 35th Parliament, Hansard issues and pages will once again be numbered on a sessional basis. Hansard numbering therefore will become consistent with Orders and Notices and Votes and Proceedings, and with other parliamentary publications throughout Canada.

For the last two years Hansard has been numbered according to the calendar year. Under this system, the numbering of issues and pages was restarted with the first issue in the calendar year, regardless of session or Parliament.

Under the new system, the sequence of numbering started in January 1991 will end with the final House and committee sittings of the present First Session. A new sequence will begin on the opening day of the Second Session, and each succeeding session, which will be issue 1 and begin with page 1. Committee reports likewise will be numbered from the first sitting of each committee in a parliamentary session.

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Table des matières

La table des matières des séances rapportées dans ce numéro se trouve à l'arrière de ce fascicule, ainsi qu'une liste alphabétique de députés de l'Assemblée législative de l'Ontario.

Il existe un index cumulatif des numéros précédents. Les renseignements qu'il contient sont à votre disposition par téléphone auprès des employés de l'index du Journal des débats au (416) 325-7400.

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Depuis deux ans, le Journal des débats était numéroté par année civile. Avec ce système, la numérotation des numéros et des pages recommençait au premier numéro de l'année civile, quelle que soit la session ou la législature.

Avec le nouveau système, la numérotation commencée en janvier 1991 s'arrêtera à la dernière séance de la Chambre et des comités de l'actuelle première session. Une nouvelle série commencera le jour de l'ouverture de la deuxième session et des sessions suivantes : numéro 1, page 1. Les rapports des comités seront également numérotés à partir de la première séance de chaque comité pour une session parlementaire donnée.

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LEGISLATIVE ASSEMBLY OF ONTARIO

Monday 21 October 1991

The House met at 1330.

Prayers.

MEMBERS' STATEMENTS

POACHING

Mr Brown: I have before me an article which appeared in the Sault Star. It says that according to a Ministry of Natural Resources staff person in Lake Superior Provincial Park, which happens to be located between Sault Ste Marie and Wawa, regulations are not being enforced during the hunting season. Rather than the patrolling and enforcement work, this person is being told to do maintenance work. Last week this employee, who should be lauded for his initiative, investigated on his own time a moose kill in the park. A moose calf had been poached.

While MNR has done some spot checks, this is just not enough. Poaching is a difficult and terrible problem, but it is avoidable. Let's make sure our competent MNR employees are allowed to do the work they are trained to do and should be doing. Poaching is a crime, and its seriousness is amplified when it occurs in our provincial parks.

CANADIAN FOSTER FAMILY WEEK

Mr Johnson: I have an important announcement I am sure everyone will want to hear today. On behalf of the government and all the members of this House, I would like to join the Canadian Foster Family Association in declaring this week, October 20 to 26, Canadian Foster Family Week.

Foster Family Week gives us an opportunity to recognize and celebrate the contribution of approximately 5,000 foster families in this province who provide safe and caring homes for more than 19,000 children every year.

I take great pleasure in declaring this week because my parents, June and Murney Johnson, were foster parents to approximately 30 children. From the time I was nine years old until I was 19, my parents shared our home with up to four children at a time. It was a positive experience for all of us, and I was always sad when the time came for my foster brothers and sisters to leave us. I have had the opportunity to see at first hand what an important role foster parents can play in the development of a child and the significant work they do in providing a secure place for children to grow up in.

The theme of this year's Foster Family Week is, Wanted: Someone to Hug and Bug. I have pins with this slogan for all the members of the House.

I am proud to have been part of a foster family and very pleased to take this opportunity to congratulate foster parents throughout Ontario and tell them they are truly appreciated, not just this week but every week.

HEALTH SERVICES IN BRAMPTON

Mr McClelland: Some months ago in question period I asked the Minister of Health whether she would respond about the status of the Chinguacousy Health Services

Board proposal for a health care facility in Brampton North. I had put a question to her predecessor, who then undertook to look into the matter and advise the House in terms of the status of that project. I was not only dismayed but quite frankly shocked that the current minister was not aware of what was taking place with that project. However the minister indicated to me at that time that she would report back to me in the House in terms of the status of the Chinguacousy Health Services Board project.

Since that time we have had some good news. The good news is that there is a new project under way in Brampton that will bring some 70,000 new people into the community in the next three and one half years; 42 months from now we will have 70,000 additional people. Our population will be approaching 344,000, and we remain with one hospital in the community.

The Chinguacousy Health Services Board has had a project in place on the books for some time. A tremendous amount of work has gone into this. In the spring of 1990 it was at the point of going to architectural drawings, so it was right at the threshold of being under way.

The people of my community are concerned about what we are going to have in terms of the provision of health care. It is an essential ingredient for the quality of life, the things that people deserve, not only for the present population but for those additional 70,000 people who will move into that community. I urge the Minister of Health today to report back to me as soon as possible in terms of the status of this very important project.

WATER QUALITY

Mr Cousens: The government has not called a by-election in Brant-Haldimand and the people are not being represented, so I would like to speak out on their behalf in this House. My concern is with a spring located on the west side of Highway 24 between Cambridge and the North Dumfries township cutoff for Glen Morris.

For decades this spring has been an important water source, often the major water source for many families in the Brant-Haldimand area. Now, because of some apparently conflicting reports on the state of that spring water, this government is playing games with residents in that area. First this government was going to improve the site of the spring, then it said it would shut it down and now it says it will look at it again.

We are all concerned with the safety of drinking water in this province, but as long as this spring remains an important water supply for families, this government must stop splashing around and start making decisions. I call on the government to investigate and clean up the source of any contamination of the spring instead of threatening to shut it down, in effect trying to tell the residents of that area to dry up.

We have a community that is not represented in the House. It is time, since this government is not going to

respond to their needs. The government ignores them. Maybe then we can have someone sitting on this side of the House for the Progressive Conservatives to show them how it is going to be done.

1340

SENIORS INFORMATION HANDBOOK

Mr Malkowski: I am very proud to rise today and inform the House that the S. Walter Stewart library of East York hosted a reception for the launch of our East York Seniors Information Handbook. The honourable Minister of Citizenship and the member for Lambton were among the guests there.

The seniors' community in East York is second only to that in Victoria. The seniors' handbook will be of help to the seniors in our community because it provides general community information, housing information and other resources necessary to find the services they require. It is accessible by being done in large print and easy for the seniors to read. We have printed 1,500, which are ready for distribution.

The member for Lambton was there because she is our oldest MPP in the House and an important role model for our senior citizens. She gave a wonderful speech, which was very inspirational to our seniors.

The handbook, which I have right here, is full of information. It can be received through my constituency office.

NEW ENTERPRISE STORE

Mr Bradley: In an increasingly global arena, industrial age standards of conducting business and exporting resources are no longer enough for a country to maintain its standard of wealth. Enterprise, innovation and adaptation to change and technology are what make a country thrive and able to compete. Canada has the potential to join the top 10 industrialized nations. This can be achieved if we provide Canadians with the opportunities and means to be enterprising and self-reliant.

Thanks to leaders in the Niagara region, where unemployment is among the highest in the province, the opportunities now exist. Considered a haven by entrepreneurs—80% of the region's businesses employ less than 50 people—the Niagara region is the perfect business breeding ground. The Lincoln County Board of Education and the Burgoyne Centre for Entrepreneurship are proud to introduce the first venture of its kind in Canada to launch entrepreneurial initiatives. It is called the New Enterprise Store. An actual storefront property in the business district of St Catharines, the New Enterprise Store is where fledgling entrepreneurs have a chance to turn their vision into reality.

With the assistance of the Lincoln County Board of Education, the assistance of Brock University through the Burgoyne Centre for Entrepreneurship and the assistance and enthusiasm of so many volunteers and professionals, we now have that opportunity in St Catharines which has been missing for so long. Thanks to Eugene Luchzkiw, formerly of Governor Simcoe Secondary School and now at Brock University, young entrepreneurs have a chance in Ontario.

AFFORDABLE HOUSING

Mrs Marland: This government has repeatedly voiced its commitment to provide affordable housing. However, its support seems to be misguided. Since September 1990, this government has directed its efforts in supplying affordable housing solely to the construction of non-profit housing.

They have sadly forgotten about those who desire to own their own homes. Affordable housing should not apply only to those who live in apartments. It also includes those who are capable of affording homes of their own. Yet the capability of those who wish to own is seriously impeded by the cost of exorbitant development charges which in some municipalities are currently being tacked on to the cost of a new home. New home owners in municipalities across the province are bearing the cost of municipal development and, as a result, fewer and fewer people can afford to purchase a new home.

These costs are the result of the Development Charges Act, which allows a municipality to pass a bylaw which provides for an increase of 5% in the development charges. This means that in a municipality which has enacted a bylaw, at least 23% of the cost of a new \$165,000 home comprises purchasing taxes.

The reality is that the ability to purchase one's own home is becoming more and more unattainable due to these development charges. Yet there is still hope. This government has it in its power to extend the November 23 deadline by which the province has directed all municipalities to enact development charge bylaws. Instead of enforcing this deadline, the province would be better served by opening lines of communication between developers and municipalities to seek better ways of providing affordable housing.

COMMUNITY SERVICES

Mr Frankford: In my riding of Scarborough East, residents are very concerned about security and safety on the streets. Anti-social uses like prostitution and drug offences are understandably most distressing to people who live in affected areas.

Solving these problems requires short- and long-term solutions. Policing is where it starts and I am pleased to inform the House that there has been a concerted response by our local police division. It has been made aware of the local needs and has been providing extra resources. Concerns and suggestions have been brought to the attention of management and security staff of Metropolitan Toronto Housing locally.

Community organizations are of great importance in combating crime and making people feel more secure. The feeling of residents that they are not in control of their streets has led to several community meetings. From these meetings has developed the formation of the Scarborough Neighbourhood Action Committee, which will bring people together from all over the area to identify problems and find solutions.

For the long term, we will not only require policing but also improvements in housing, employment, traffic and social services. I believe that innovative approaches to

urban planning can make an enormous difference. It will require co-operation from all four levels of government. I am pleased to see vigorous community organizations starting to stimulate action.

VISITORS

The Speaker: I invite members to welcome to our midst this afternoon, seated in the Speaker's gallery, a delegation of the Commonwealth Parliamentary Association, United Kingdom branch, headed by the Honourable Robert Boscawen and accompanied by Messrs James Cran, James Dunnachie, Tony Favell, Alun Michael and Lord Taylor of Gryse. Would you please welcome them to our midst this afternoon.

LEGISLATIVE PAGES

The Speaker: I would also invite members to welcome to our midst our newest group of pages. They are:

Ben Alton, Oakville South; Jay Banerjee, Scarborough East; Odelia Bay, Wilson Heights; Sara Bragg, Durham East; Lauren Clarke, Kitchener; Michael DaCosta, Mississauga North; Elyssa Elton, St George-St David; Samantha Farmer, York Centre; Cindy Gangaram, Brampton South; Sara Henderson-Neale, Willowdale; Leanne Hughes, Niagara South; Ilia Karatsoreos, Yorkview; Steve Kuhn, Waterloo North; Jason Lac, Guelph; Janye Lee, Don Mills; Lydia Lovric, Hamilton Mountain; Wesley Netchay, Lincoln; Siobhan Quinn, St Catharines; Justin Thomas, Oakwood; Ben Tinholt, Wellington; John Trueman, York North; Andrew Udit, Mississauga East; Leo Van Wyk, Durham Centre; and Emily Wong, Markham.

Please welcome them to our chamber and to our assembly.

Hon Mr Rae: I believe there has been some discussion about unanimous consent with respect to the commemoration of a significant anniversary in the life of one of our members.

Agreed to.

MEMBER'S ANNIVERSARY

DATE ANNIVERSAIRE D'UN DÉPUTÉ

Hon Mr Rae: As the song almost says, it was 20 years ago today that the Deputy Premier and Treasurer was elected to the Legislature. A number of us, including the member for St Catharines—who I can tell his colleagues spoke with extraordinary effectiveness and eloquence; indeed, I have rarely heard him speak with such trenchancy and effectiveness. Certainly there was a large crowd of people there to hear him, as well as the former Deputy Premier and former member for St Catharines-Brock, Mr Welch, who spoke on behalf of the Conservative Party at a very enjoyable occasion. There were a number of other speakers, I might add, who spoke on an occasion in Sudbury where we had an opportunity to commemorate this event.

I simply want to say today, and I know that I speak not only for members of my own party, that the member for Nickel Belt has contributed as much to the public life of this province as any of us and as anyone. He has shown

enormous integrity, great good humour and a capacity for work—work cheerfully performed, I might add. That is, I think, a symbol to all of us.

The Deputy Premier and I have a very close working relationship.

1350

Mr Scott: I thought you were going to say an on-again, off-again policy.

Hon Mr Rae: Well, the Deputy Premier did not support my coming here in the first place, I might point out, but I would say to members that once I got here he proved to be very supportive. So I appreciate that and I know that is a view that will be shared by others.

I want to say that the Deputy Premier and Treasurer contributed enormously to the life of this place when he was a member of the third party and when he was a member of the official opposition, and does so now that he is a member of the government. His capacity for hard work, his effectiveness, his integrity, his commitment to the good of the public life of the province are, I think, something shared by every member. I can only say to the Treasurer that I hope he has 20 more good years as we celebrate this halfway point in his public life as a member of the Legislature of Ontario.

Le député de Nickel Belt a fait une contribution énorme à la vie publique de la province. Il a servi dans le troisième parti, dans l'opposition officielle et maintenant dans le gouvernement toujours avec l'intégrité, la bonne humeur et le bon sens que nous associons tous avec la personnalité du député de Nickel Belt. Nous célébrons cette journée, ce 20^e anniversaire, avec un sens de tradition, de fraternité et de sororité dans la Chambre aujourd'hui.

Mr Bradley: It is, as everyone always says, indeed a pleasure for me to be able to pay tribute to the member for Nickel Belt on this the occasion of his 20th anniversary of election to the Legislative Assembly of Ontario. He is an individual who has had not simply a long career; there are a lot of people who have long careers, I suppose, in various occupations. The member for Nickel Belt has had both a long and a distinguished career and will have one for certainly a number of years yet to come.

One of the things I think members of the Legislature have to understand—and I am going to depart from the normal practice of simply referring to his riding, if I may—about Floyd Laughren is the fact that he is an individual who comes from modest roots, and most important has not forgotten those modest roots. There are many people who climb the ladder politically or in business or in anything where they gain a good deal of fame, and those people often forget the people they started out with and their own roots. The member for Nickel Belt is one person who, whether we disagree or agree with him on any specific issue, has not forgotten those principles and has not forgotten those roots.

Indeed, he is one member of the New Democratic Party whom I have always looked to as a real New Democrat, as a person who is never afraid to be called a socialist, as a person who was a member of the Waffle wing of the NDP at one time, the radical wing of the New Democratic

Party, and one who, I suspect, in his heart of hearts, as the Premier always says, still believes in the principles he enunciated at NDP conventions over the years as he and his fellow travellers on the left wing of the New Democratic Party put forward their policies for consideration.

I know we can expect to see International Nickel, now known as Inco, as part of the government of Ontario. It will be nationalized in the lifetime of this particular member for Nickel Belt. I know I will be able to drive to Sudbury, my old home town, on a four-lane highway up Highway 69 or Highway 17. I know that many of the things he set out to do in his career he will certainly do.

I guess the thing that most of us on this side, and on all sides, like about Floyd Laughren is that to put it in a rather trite way, I suppose, what you see is what you get. He is a genuine individual. He is not a pretentious individual. He is one who is sincere in putting across his point of view in this House, but who can also do it with a good sense of humour.

One serious point: I know it will not embarrass the member for Nickel Belt, but I think it worthy of saying because in politics this happens to many people. I saw an incident surrounding his wonderful dinner in Sudbury on October 4, one which kept me away from the opening of the National Hockey League season simply to attend. There was one bit of cloud surrounding it. I do not wish to be unkind today, but the member was being criticized by some people because of the location of this particular dinner. It was not located at the United Steelworkers' hall in Sudbury; it was located instead at the Caruso Club.

The reason I think it is worthy of mention is that I find it ironic and unfair, because anybody who knows Floyd Laughren, the member for Nickel Belt and the Treasurer of this province, an opposition critic who was very vociferous over the years, knows that Floyd Laughren has done as much as any member of the Ontario Legislature to defend the interests of people in the mining industry, in the smelting industry, in the milling industry and in the refining industry of Ontario. I know it did not represent the viewpoint of everyone within that particular organization, but I thought it unfair that he should be the target of any criticism over this, considering his long record of defence of the issues that they consider to be important in the Legislative Assembly and to them.

At the end of his political career, whenever he chooses that to be or whenever the electorate chooses that to be, he will be able to look back with some satisfaction and pride, I think, on the fact that he has left his mark on the province of Ontario. Longevity does not ensure that one is remembered, but a record and a set of principles such as the member for Nickel Belt has demonstrated over the years will certainly do so.

Mr Sterling: I am going to be brief this afternoon. Floyd and I learned a long time ago never to say, "I'm going to be short this afternoon."

I have enjoyed the friendship of Floyd Laughren for some period of time. Before Floyd was Treasurer, before I was elected to this place in 1977, I came to know Floyd through his sister-in-law, who lived down the street from me in Manotick.

During that period of time before I was elected to this place, I was one of three subscribers in Ontario to Hansard of the Legislative Assembly. During that period of time, because of the acquaintance of Floyd Laughren, who was a member of this Legislature, I would happen to look through Hansard from week to week to examine what Floyd had said or not said. I can remember remarking to his sister-in-law, I think in 1975 or 1976: "Where is Floyd? I haven't read any speeches that he has made in the Legislature over the past weeks, months, six months." I can remember Floyd meeting me some six or seven or eight months later at a social event down the street, and he was absolutely shocked that anybody would have any idea how often he spoke in this place.

Floyd Laughren came from humble beginnings. He was born in Shawville, Quebec, just up the Ottawa Valley and across the Ottawa River. His beginnings were not unlike my beginnings. I believe he was perhaps brought up in circumstances which were more difficult than mine but not unlike mine. It has always amazed me how two individuals, probably with the exact same goals in terms of what they strive for in the end, can end up so differently in terms of the ends of the political spectrum that they find themselves on.

1400

I have from time to time talked to Floyd over the last 14, 15 or 17 years. I have shared with him and he has shared with me his enthusiasm for the legislative chamber over that period of time. As I and many members of this Legislature who have had the privilege of being here for a longer period of time find—and there seem to be fewer and fewer of us—we go through periods which are high and periods which are low. I am happy that Floyd has been able to withstand those periods when the achievements here seemed to be few and far between and the discouragements were many. Those times come to all of us as legislators, and we should learn from Floyd's tenacity and his dedication to the political process in coming to where he is now.

Of course Floyd, like all politicians, has been ambitious. Now the Premier has ensured he has no political future by making him the Treasurer of this province.

My party wishes him all the health and happiness he can have. When the economic winds change in this province, he should just hope that they are extremely strong, because in a strong wind, even turkeys can fly.

Hon Mr Laughren: That is more like what I have grown to expect around this place.

I will speak very briefly in response and thank the members for their kind words. The Premier is quite right when he indicates that I did not support his being the leader of this party. I supported another candidate for the leadership, but when he got here and I found out that he and I both had been born in log residences, I realized that perhaps we had more in common than I realized. Mine was a cabin, his was an embassy, but so what? We actually have gotten along very well since then.

The remarks today of the member for St Catharines are a lot different from his remarks in Sudbury, at which point

he called me something awful. I want to thank him for his attendance at that roast. I appreciated that very much.

To the member for Carleton, I too remember meeting him a number of years ago. I remember I did not realize then how unusual it was—I just thought it was strange—that his lawn always had an NDP sign on it. It was only after he became an elected member that he put one of his signs up as well.

It has indeed been 20 years to the day. There is one thing I want to assure members opposite: Had I spent my entire political career in opposition, I would not have regarded them as wasted years, so take heart. I did enjoy my years in opposition, although I can say that the challenge of being here and trying to fly in a strong wind when the economic winds are blowing against us is difficult indeed but I have enjoyed it very much.

As far as Inco goes, I have always believed there is a good future for Inco in this province. I want to dissociate myself from the comments others have made that if I ever got the chance I would nationalize Inco and call it the People's International Nickel Co, or PINKO for short. That is simply not the truth. That was a rumour started by the former member for Sudbury East, as I recall.

I want to thank the members for their comments. I can remember sitting on the other side and squirming when people would make comments about Bob Nixon's years here. I always swore to myself that I never wanted to be the dean of the Legislature, but it happens anyway.

ORAL QUESTIONS

SALARY OF ONTARIO HYDRO CHAIRMAN

Mr Conway: My question is for the leader of the government. Later today this assembly will be asked to pass judgement on second reading of the New Democratic Party's hydro policy incorporated in Bill 118. There are some questions I would like to ask the Premier on behalf of at least my constituents concerning aspects of this bill and the policy. Some of these questions are ones we have had an opportunity to discuss earlier in this session.

My constituents still want to know whether Marc Eliesen, the Premier's friend and appointee as chairman and chief executive officer of Ontario Hydro, which appointment was made by the Premier earlier this year, will be paid retroactively to that date of appointment in June 1991 a salary in the range of \$400,000 to \$500,000.

Hon Mr Rae: I can only say to the honourable member that I understand the second reading debate will conclude today. The bill is then being referred for consideration with respect to amendments and discussion of amendments.

Mr Mahoney: So it is already carried.

Hon Mr Rae: No, not at all.

Hon Mr Mackenzie: It is going out for public hearings.

Hon Mr Rae: It is going out for public hearings, and there will be ample opportunity there to consider questions of amendments to the bill or questions surrounding the overall administration of Ontario Hydro.

I think the member is familiar with the situation as it relates to the decision of the Hydro board. The Hydro

board has made a recommendation with respect to Mr Eliesen's compensation. That matter is now under review in the form of being referred in general, along with all the other salaries, to the Ontario Energy Board. As well, I think it is fair to say that the general question would also be subject to discussion in the committee and at public hearings.

The Speaker: Would the Premier conclude his response, please.

Hon Mr Rae: I think that is the clearest possible first answer I can give to the member for Renfrew North.

Mr Conway: When the government announced its hydro policy some four or five months ago, it said that the hallmark of that policy would be openness and accountability. I think we all applaud that. Nothing could be clearer than that the man to whom the ultimate responsibility attaches in this matter of the remuneration of the chairman and chief executive officer of Ontario Hydro is none other than the Premier himself.

I repeat, as the leader of the government, as the architect of this policy of openness and accountability with respect to Ontario Hydro, will the Premier, as the leader of the government, confirm or deny that his friend and associate and nominee to the chairmanship and CEO position at Ontario Hydro, Mr Marc Eliesen, will be paid retroactively to the date of appointment in June 1991 the reported salary of in excess of \$400,000?

Hon Mr Rae: With great respect to my friend the member for Renfrew North, it would be entirely inappropriate for me to prejudge what the final legislation will look like after it has been considered by committee—if one wants to have a process where the committee process is working, it seems to me that has to be considered—or to prejudge in any way, shape or form the discussions at the Ontario Energy Board. We have asked for a review in those two areas and I think it would be wrong for me to prejudge either of those two things.

Mr Conway: I respectfully submit to my friend the Premier that it is not a matter of prejudging anything; it is not a matter of reviewing anything. We all accept that the buck stops on his desk, and the Power Corporation Act makes it plain that it is his job and the responsibility of the cabinet, of which the Premier is the leader.

So very simply, what were the terms and conditions of the appointment of his good friend, that well known NDP apparatchik, Mr Eliesen, to the chairmanship of Ontario Hydro? I do not need, nor do I want, the OEB view on this. The people of Ontario have elected the Premier to make those decisions. He has the right and the responsibility. What has he decided?

My constituents are looking at these rate increases, now rumoured to be over 45% for the next three years. The salary is in excess of \$400,000, triple what Mr Eliesen was receiving as deputy, and there are reports that he has asked for and may very well get a pension benefit of some 75% of his salary base after six years. The farmers and loggers of Renfrew County are appalled to think that could happen, and they want me to ask the Premier what he

decided when he appointed this man, accepting that it is his ultimate responsibility to make that decision.

1410

Hon Mr Rae: Let me answer that question in as clear a tone as I possibly can. I do not think the member's characterization of Mr Eliesen is a fair one, but I do not expect it to be a fair one. I do not expect that.

What were the terms and conditions? There were no terms and conditions, either considered by cabinet or discussed by cabinet, other than the fact that Mr Eliesen's appointment took place with the understanding that his salary would be what it is today as we speak, which is that of a deputy minister, and that we would ask the Ontario Hydro board and the board of directors to consider compensation. That is the form of the amendment that was put forward in the Power Corporation Act.

When that figure came out, I think it is fair to say that I said and a number of people said that it seemed to be high. It was the one that was deemed appropriate by the Ontario Hydro board. We have asked for a review of that judgement and we continue to seek that review.

I repeat to the honourable member, rhetoric aside, that there is now the question of the matter going to committee and of the review to the Ontario Energy Board. These are the reviews that are taking place and I want to say to the honourable member that there were no other terms or conditions. There were no other discussions with respect to Mr Eliesen's salary that were held either by me or by members of cabinet. That is the beginning and that is the end of it and that is the full story.

POLICE SERVICES

Mr Sorbara: My question is of the Solicitor General. I just want to say by way of preamble to the Solicitor General and his colleagues wearing orange flowers today that if they were not paying so much attention to British Columbia and Saskatchewan, they would be wearing not orange flowers but black armbands.

I want to tell the Solicitor General that this has been one of the most violent weekends in the history of this province. On Sunday morning, two young men were shot to death in Metropolitan Toronto. A shopkeeper was murdered while he was making a deposit of some \$1,000 at a night depository. Two grandparents and one grandchild were murdered in their homes in Chatham. This has sent a shiver of terror among the people of this province.

The murder toll in Metro has risen to some 70, nearly double what it was last year, and it shows no sign of stopping, yet the Solicitor General muddles around trying to defend the abolition of the oath. He equivocates and dallies with the political rights of police officers. We are waiting interminably for his amendments to a Sunday shopping bill. He has not even remembered that his primary responsibility in Ontario is for the safety and security of communities.

While in opposition, these members were the outspoken advocates of reforms that would deal with what they referred to as murder and carnage in the workplace. We have murders of untold proportions on our streets. I ask the Solicitor General, what does he have to say to the parents and the relatives of these victims and what does he have to

say to the residents of Ontario, who would prefer not to live their lives in fear?

Hon Mr Pilkey: What the Solicitor General would have to say to the parents and relatives and friends of any person who has been affected by violence and unnecessary crime is that we would extend our sympathy and concern to them in those very trying circumstances, circumstances which none of us appreciate, nor do I think they are circumstances that should be the subject of political motivation either. Quite frankly, I think that reaches a level of questioning that is not very desirable.

In terms of the policing community, I have every confidence and respect in the Ontario Provincial Police, the RCMP and our local police officers, all of whom work on a day-to-day basis to serve and protect the people of this province and indeed the people across this country. We continue to try to implement new circumstances, whether it be through community policing, through additional employment equity on our police forces, sexual assault initiatives, race relations and other programs, all of which try to mitigate these kinds of difficulties, although I must say, notwithstanding any programs this or any other government in this country or this world brings forward, they cannot at all times stop senseless acts of violence.

Mr Sorbara: I will just tell the Solicitor General that if the now Premier had had to listen to that answer in opposition, he would have gone through the roof. This has nothing to do with employment equity; it has nothing to do with race relations; it has to do with the Solicitor General's responsibility for policing in our communities.

While the Solicitor General has just equivocated on this issue, his friend the member for Rainy River, the Attorney General of this province, in a press release was bragging about how much money his ministry had saved by not prosecuting people who are accused of crimes in this province. I quote from a press release from Friday. The Attorney General notes:

"Cancelled court appearances have saved hundreds of thousands of dollars in wages and overtime. In addition, there have been substantial savings in court time, as civilian witnesses were also freed from court appearances."

We have argued over on this side that it is important the justice system bring criminals to trial.

The Speaker: And your supplementary?

Mr Sorbara: I ask the Solicitor General, has he talked to the Attorney General? Has he pleaded in cabinet to take those hundreds of thousands of dollars that have been saved by not prosecuting criminals and bolster the resources our police forces need to provide good quality community policing and deal with this terrible problem that has everyone in my constituency and all around the province living with a sense of fear that is not appropriate for Ontario?

Hon Mr Pilkey: I think the actions of the Attorney General should be applauded. What he did, quite frankly, was to take situations of pleas of guilty and free up the police officers, the policemen and policewomen of this country, to get out on the street, to not be tied up in those matters that are already decided or agreed upon or not tied

up with minor infractions, but allow them to be out on the street to combat the very kind of difficult problem the member raised in the first place.

Mr Curling: Crime is the most important issue in the greater Toronto area. It is on the minds of everyone in greater Toronto. This is a good reason why the Solicitor General may not know that in the OPP jurisdiction, province-wide, by last July there had been a 15.8% increase in the homicide rate over the previous year and a 70% increase in the robbery rate, as my colleague just pointed out.

This government has left the municipalities and the private citizens on their own to make their communities safer. The Solicitor General's ministry has been sitting on a report of a Metro Toronto task force calling for a crack-down on illegal after-hours clubs, as well as other measures intended to bring crime rates down. Two weeks ago, when he was asked, he stated that he knew nothing of the report but undertook to review the recommendation and respond. Will the minister advise the House whether he has yet to review the Metro recommendations and whether he will take steps to implement them? Will his government support the citizens of Ontario who want to make the communities safer and places in which they can live?

1420

Hon Mr Pilkey: The answer to the question is that of course we will support the citizens of Ontario, and as a matter of fact every citizen in this country and others who support law enforcement and law and order in our times. I think that is rather a silly question to ask in the first place, but that none the less is the response.

In terms of the question, I believe the member refers to a question asked by the member for Parkdale, to which we are deriving an answer. I would have answered it directly, except that it may fall under the purview of the Ministry of Transportation or within the federal government, but I can assure the member that the answer to that question is being sought. If I recall the question, it was something about people who are involved in drug deals. If they have their driver's licence suspended, somehow it might mitigate this problem. I will have that specific response from the appropriate ministry, but someone mentioned to me that he wondered what kind of concern it would be to somebody who was involved in illegal drug matters that he feared his licence might be suspended. They were not sure that was much of a deterrent for that kind of crime.

SALARY OF POLICE BOARD APPOINTEE

Mr Harris: My question is for the Premier. By the way, before I get into the question, I want to say congratulations to my friend and colleague the member for Nickel Belt, in the spirit of true non-partisanship and co-operation. That being done, I now have a question for the Premier.

I was struck by two different headlines today, "Rising Crime in Ontario," in Toronto, on our streets, and "US Crime Continues to Decline." It seems to bear out views that have been expressed by a number of people that criminals are finding it too tough in the United States and quite easy here and are moving north.

My question, though, is to the Premier. Last spring, despite much opposition, he endorsed Susan Eng as chair of the Metropolitan Toronto Police Services Board. Last Thursday, Ms Eng is reported to have asked for a salary increase that would hike her pay close to 50%, from \$90,000 a year to as much as \$133,000. With police forces forced to cut back, with the obvious imbalance of resources available to the police to fight the rising crime we are experiencing in Toronto, in Ontario, indeed in Canada, I would like to ask the Premier if he approves of his personal choice for chairman of the police services board's priorities of where these scarce resource should go, ie, "A 50% salary hike for me, Susan Eng."

Hon Mr Rae: I am not aware of the information the member has put forward, but I will ask the Solicitor General to perhaps answer the question.

Hon Mr Pilkey: There is a very direct and brief response to the leader of the third party. On the question about Susan Eng's alleged request for a salary increase, I do not believe there was a direct request. The information I have is that it emanated from somebody asking a question about whether per diems should be raised and the newspapers reported that she perhaps thought the compensation should be on an equal basis with other appointments. I am not aware of any direct request by that person, but even if there were, I would like to inform the House that Metro council, not the Ontario Legislature, sets the salary for the Metro police board.

Mr Harris: Metro council did not appoint Susan Eng as chairman. That was the Premier. It was his appointment. This is his choice. This was the NDP priority for fighting crime in Toronto. Now we find his appointee—in fact, two of them. The article goes on to mention another NDP appointee. Somebody will have to help me here.

An hon member: Laura Rowe.

Mr Harris: Laura Rowe. Their top priority seems to be, "How do we get our own salaries up?"

Metro Toronto hit a milestone we would rather forget, 70 murders committed in this city in 10 months, and two NDP appointees to the police services board are worrying about lining their pockets. I say to the Premier, through the minister, since that is who I now have to direct the question to, even though the minister, I am sure, had nothing to do with this appointment—he has to live with it and I respect that—given the amount of money the province pays for policing, given the fact that it is the province that controls the police board, given the fact that these are his two appointees to the police board, does he agree with the priority of his NDP appointees that this is where scarce resources should go, to hike their own salaries?

Hon Mr Pilkey: I am not sure how long Susan Eng has been chair, but it seems to me it has been quite some time, not too long after the life of this government began. This is the first time I have heard of this suggestion, and therefore it would seem to me to deem that this is not a priority of hers or anyone else's, that it has come up at this late time.

I do not have it verified beyond this context, but it was reported in the Toronto Star on October 19 that the members

of the Metropolitan Toronto Police Services Board want no part of a proposal to pay them at the same rate as citizen appointees to boards. After having determined that it is not a priority of the chair and having the board say it wants no part of it, I can only conclude that the question is now one of a political nature and really does not deserve any further response.

Mr Harris: The minister says it is Metro council that sets the salaries. That is not true. It is the police board itself that sets the salaries, and the NDP now, with its appointments, controls the police board. That is the fact of the matter.

I say to the Solicitor General by way of final supplementary that the only thing the Premier's personal choice of boss of the police services board is known for to date is to snub the Queen and to ask for more money. Since Ms Eng is too busy working on her own salary to concern herself with the real problems, I wonder if the minister could tell us whether this government has any sort of plan to bring safety back to our streets here in Ontario.

Hon Mr Pilkey: The government did not snub the Queen. I believe the reference is to the oath. I would remind the leader of the third party that those changes under the Police Services Act, which emanated from the previous provincial government, the Liberal government, which this party then carried on and enacted, had the full consultation of the Police Association of Ontario, the Ontario Association of Chiefs of Police and the Ontario Police Commission.

As to the question, in terms of what this government is doing to assist in the prevention of crime in the streets, I believe I adequately covered this in response to a previous question this afternoon.

Mr Harris: They appointed Eliesen, but, "It wasn't me asked for \$400,000." They appointed Eng, but, "It wasn't me who asked." Who controls what is going on over there with these appointees? This is really getting silly and I think the Premier would agree.

WORKERS' COMPENSATION

Mr Harris: My second question is to the Premier as well. On April 7, 1988, as Leader of the Opposition, he stood in this House and moved a resolution declaring April 18 as a day of mourning for injured workers. It was a very passionate speech. It was a very emotional speech. How times have changed. Today's headline in the *Globe and Mail* is, "Injured Workers Say NDP Betrayed Them." If the injured workers of this province cannot trust the Premier, who can?

Hon Mr Rae: Since the member has asked me personally about this, I can only tell him what I know with respect to the details of the situation, and that is that with respect to asbestosis, the board is continuing to review claims and continuing to review the criteria of the claims. I think we all know well the emotion that is felt by people whose claims have still yet to be accepted by the board and I can perfectly well understand and appreciate the emotion that lies behind those who are suffering from illness and whose claims have not yet been recognized.

I would hope the leader of the third party would also recognize that he would be the first one on his feet attacking me personally were I to intervene personally and tell the Workers' Compensation Board which claims to recognize and which not to and on what basis.

With respect to asbestosis, that is something which has to be done by the board. With respect to establishing an association between aluminum and degenerative brain conditions, again, that is something which has to be determined by the Workers' Compensation Board. It is their requirement and they have to do it. I cannot think of anybody who would be attacking me more vociferously than the honourable member were I to simply step in and say to the board: "Look, these people are complaining. Go out and change your policies." That is not the way we can do business in Ontario.

1430

Mr Harris: "Nick De Carlo of the Canadian Auto Workers union, which represents the workers, said Mr Rae...appeared at demonstrations and denounced the previous Liberal government several times for its policies on aluminum poisoning and asbestosis in industrial workers." The Premier had the answer while he was in opposition. He had the answer in 1988. He condemned the Liberals. Now he says it has nothing to do with the government; it is up to the board. Mr De Carlo said he was "told the situation was more complicated now that the NDP were in power." I wonder if the Premier could tell me what has made this situation more complicated now that he is in power as opposed to when he was in opposition?

Hon Mr Rae: Again, if I as Premier were to intervene and tell the board what to do with respect to the assessment of individual claims because of a point made by the president of a local union, can members imagine what the leader of the Conservative Party would say about the New Democratic government and its leader? We all know what he would get into. He would give us his anti-union diatribes and statements and he would accuse us of simply following what the unions wanted us to do.

We have the Workers' Compensation Board, which has very clear responsibilities under the law. We have a requirement that the board has to be satisfied with respect to the relationship between the exposure to a substance and the cause of a disease. That is the way the law works. We all very much want the board to be sensitive to the claims of workers and sensitive to the needs of workers, but it simply is not possible for the Premier to step in and say, "Recognize this claim and do not recognize that one." That is not the way we can do business.

Mr Harris: I find it ironic that the Premier's defence now is that he is concerned about what I, the member for Nipissing, would think. If that is his concern, he can invite me to the cabinet table and I will straighten him out on hundreds of other issues too.

It seems to me a little more than ironic that while the Premier has turned his back on the injured workers of this province, an NDP backbencher, the member for Downsview, is asking the Board of Internal Economy to erect a statue on the lawn at Queen's Park to honour those

workers. The injured workers do not need passionate speeches and days of mourning. They do not need statues on the lawn at Queen's Park. They need help and support, not statues. Obviously his commitment while in opposition was not written in stone. We now know that. The statue matter is to be voted on soon by the Board of Internal Economy. Does the Premier not agree that any money for a statue on the front lawn of Queen's Park should in fact go directly to injured workers instead?

Hon Mr Rae: If the member wants to have a serious discussion about the board's policies with respect to compensation for particular diseases or claims, I am happy to do that and I think it is an important thing to do.

Interjections.

The Speaker: Order.

Hon Mr Rae: If the honourable member wants to have a discussion about whose lives we should be commemorating and whose achievements we should be celebrating on the front lawn of the Legislature, I am happy to have that discussion as well. I do not see anything wrong with our having a serious reflection on the contribution and the sacrifice made by hundreds of thousands, indeed millions, of workers in the province. I do not see anything wrong with our commemorating their achievements as much as we commemorate the achievements of former premiers.

EMPLOYMENT

Mr Phillips: My question is of the Minister of Industry, Trade and Technology. It has to do with jobs and taxes. He will be familiar with the major problem of cross-border shopping. I think his ministry has completed a study which indicates that up to 14,000 jobs have been lost as a result. Later today in the Legislature, as he knows, we will be debating a bill which will increase the tax on gas by, I believe, 30%.

At the same time, the minister will know that the standing committee on finance and economic affairs completed its work on cross-border shopping and that a major recommendation out of that report was, "The Ontario government should produce and make publicly available an analysis of the impact on jobs of any relevant legislation or regulations it proposes to introduce or amend as it relates to cross-border shopping." That was an extremely important recommendation, supported, I might add, by all three parties on the committee.

What is the impact on jobs of this new tax on gas?

Hon Mr Philip: There is no study that shows directly the impact of any one factor on cross-border shopping. We would be happy to share any studies we do have with the honourable member. I shared with him considerable information during the estimates, when he had an opportunity to ask me questions.

Mr Phillips: I asked for three pieces of information at that estimates meeting and I still have not got them. I ask the minister to bring them forward.

This, however, was a commitment made by the committee to do the analysis. If the minister looks at the budget, the Treasurer has done job analyses on virtually all of

his tax proposals. It is not impossible to do this. We are not asking a difficult question here. It is an extremely important question for the cross-border communities. It can be done. The Treasurer can acknowledge that it can be done. It has been done on the budget. As I say, it is important for the cross-border communities.

When will that analysis be done? If, as in the case of the gas guzzler tax, it is proven that it is going to cost jobs, will the minister go to the Treasurer and say: "It's simply not worth it. We're going to lose more jobs that it's worth"?

When will that analysis be done? When it is available, will the minister go to the Treasurer and review his gas guzzler-job guzzler tax?

Hon Mr Philip: We will provide the member with the information he requested in the set of estimates. I assure him of that. We will certainly supply to the honourable member any other studies we do.

1440

ASSISTED HOUSING

Mrs Marland: My question is for the Minister of Housing. Today on Ontario 30, Radio-Canada's French-language public affairs show, it was revealed that the Ontario government is subsidizing a housing project in Sudbury called Centreville which consists of 56 one-bedroom units. In deciding who should be accepted for occupancy, this project will give preference to single persons but will also consider couples, married or living together, without children, according to a project official.

Ministry of Housing official, Gabriel Marceau, is quoted as saying there is a demonstrated need for assisted housing targeted at low- and middle-income people who live alone. As well, an official of the project says it is like other affirmative action programs for persons who have historically faced disadvantage or discrimination. Does the minister agree that her ministry should award housing subsidies to a project which will give preference to single persons?

Hon Ms Gigantes: I have not had the opportunity of hearing the program, though I understood that interviews had been going on with some ministry officials. My understanding of the project is that it is one which has been designed to meet specific needs within the community. It has therefore been constructed with one-bedrooms and is suitable for certain kinds of families and single people, including single-parent families.

Mrs Marland: An official of the Ontario Human Rights Commission, Gilles Lapalme, says the Ontario Human Rights Commission has not received complaints from persons who believe they have been discriminated against because they are single. Therefore singles have not been recognized as a group which should receive special treatment under the Ontario Human Rights Code. Mr Lapalme is concerned that the limitations on the Centreville occupants could prevent an apartment being made available to a single mother with one child, for example. He also says the Ministry of Housing should have consulted the Ontario Human Rights Commission about subsidizing a project which will give preference to single persons.

It appears that the Ontario Human Rights Commission was not consulted about the Centreville subsidies. Will the minister agree to meet with the officials of the Ontario Human Rights Commission about the Centreville housing project to ensure that Centreville and similar projects which receive assistance from her ministry do not contravene the Ontario Human Rights Code?

Hon Ms Gigantes: In my view—now I stand to be corrected on this and I will certainly give it more thought—if we have established a need for housing in a community by people who have a core need—in other words, have to spend over 30%, sometimes 40% or 50% of their income in the private market to find a suitable place to live—if a proposal comes forward at the community base and suggests that we should be building single-bedroom units, it seems to me entirely suitable that we should be doing that. In my view, it is not a question of discriminating against anybody; it is a question of providing for the needs of the people in the community.

EASTERN ONTARIO VEGETABLE GROWERS' CO-OPERATIVE

The Speaker: The Minister of Agriculture and Food has a response to a question asked earlier.

Hon Mr Buchanan: On October 16 the member for S-D-G & East Grenville asked a question about the Eastern Ontario Vegetable Growers' Co-operative and the Deputy Premier took it as a question of notice at that time.

Interjections.

The Speaker: Order.

Hon Mr Buchanan: The co-operative the member referred to is one of only two remaining vegetable processing plants in eastern Ontario and is very vital to eastern Ontario. Some 12,000 acres of vegetables are in fact processed at that plant. I would like the member to know that all of the processing plants across the province have been experiencing difficulty because of the high dollar and free trade.

My staff, in fact I myself, have met with representatives from the co-operative and from Produce Processors, which is associated with the co-operative. We are studying their request. There is no current program that would deal with their request, but we continue to explore what options we have. We believe the horticultural part of the emergency assistance programs we have already announced will provide the growers with some money. We will continue to have ongoing discussions with the co-operative to do the best we can to make sure this continues to be a viable business in eastern Ontario.

Mr Villeneuve: The Eastern Ontario Vegetable Growers' Co-operative represents 147 farm families. As the member mentioned, 12,000-plus acres of vegetables are grown. Their direct competition in Quebec, La Conserverie Snyder et Fils from Bedford, Quebec, received \$1.5 million to cover 90% of the cost of effluent treatment facilities. The Eastern Ontario Vegetable Growers' Association had to pay \$1.5 million on its own. They lost \$1 million last year. They are making it up at about \$40 per acre. They are asking the minister for \$500,000 to assist

them because 75% of their production goes to the United States; \$500,000 is about the salary that Marc Eliesen will receive from Ontario Hydro for one year. We are looking at 147 families here. The minister should have a good, close look and compare.

Hon Mr Buchanan: As I said earlier, we are concerned about this. We are studying it. We are looking for ways to assist this co-operative. The governments of Ontario and Canada have assisted this co-operative and the associated business in the past. In fact several millions in loans and assistance packages have been put together over the last number of years. This government intends to continue to support farm families, the family farm and the processing of food in Ontario. We will continue to do that.

PURCHASE OF CARPETS

Mr Scott: I am sure our television viewers will notice that the NDP members are wearing orange flowers. I understand that is to celebrate not only their own arrival in office but the arrival in office of a government in British Columbia that is NDP and, they believe, of a government in Saskatchewan today that is NDP. What the people of those provinces will want to remember is that when NDP members get into office and get their hands on the taxpayers' money, they spend like crazy.

The Speaker: To whom is your question directed?

Mr Scott: To the Minister of Government Services, the chief buyer for the government. All across government offices in the last two weeks everybody has been getting new carpets. I want to show members. This is only the smallest carpet. They are all monogrammed with the Ontario crest and they are sent out to everybody who wants them. These carpets cost up to \$300 each, depending on the quality of the weave and the quality of the monogram.

Interjections.

The Speaker: Order.

Mr Scott: I am cutting off my microphone here.

I want to draw to the attention of the Minister of Government Services that these are not replacement carpets, but carpets that sit on top of the carpets we already have.

The Speaker: And the question?

Mr Scott: I want to ask the Minister of Government Services if he will be good enough to let us know today how much these carpets cost, where they were purchased, what the per-unit cost is and how the tendering process was conducted. This government is spending like a drunken sailor and I want to know what it spent on this.

Hon F. Wilson: The information should be readily available. I will see that the Board of Internal Economy releases that information to the House, hopefully today. Also, I will make sure the member gets his carpet, hopefully by today also.

Mr Scott: The minister does not understand. I have a carpet. Everybody who got one of these already has a carpet. They are not worn out. This carpet sits on top of the old carpet. I do not want one. My voters do not want me to have one.

The Minister of Government Services, by way of supplementary, has not been able to answer a single question in this House yet about government expenditures, whether it was Eliesen's salary—

Interjections.

The Speaker: Order.

Mr Scott: Members really get quite exercised about this, do they not? I think some backbenchers will be concerned about these carpets, and like me I hope they will reject them when they arrive, because they are unnecessary.

The Speaker: The interrogative part.

Mr Scott: I want to know from the minister—I put this in the same class as the wallpaper, the caucus furniture, the caucus carpets and the new furniture for the Minister of Community and Social Services—when are we going to draw the limit on this kind of unnecessary expenditure, which has not occurred over the last 10 years? The minister should know that sooner or later somebody is going to say to him that this government is using the taxpayers as a doormat.

Hon F. Wilson: The member will notice that the carpet is upside down, for one thing. We are not talking about government expenditures here, we are talking about activities of the Board of Internal Economy, activities of the Legislative Assembly. I will, for the member, take it as my role to find out the information for him and I will proceed to give it to him.

As far as my answering questions in the House is concerned, I will answer questions in the House from wherever they come, from whatever quarter, to the best of my ability. I would hesitate to say that the questions I have been getting have been greatly involved, but sometimes are in three or four parts or three or four irregularly shaped periods. With respect to the member who put these questions forward, I take my time in answering them. My answers will come in due course.

The Speaker: I trust the honourable member will return the rug from whence it came.

Mr Scott: Mr Speaker, I will respond to your question.

The Speaker: No, it is not a question.

1450

REMARKS BY APPOINTEE TO POLICE SERVICES BOARD

Mr Runciman: I have a question for the Solicitor General. It relates to an announcement he made in the House last Thursday. As he is aware, an NDP appointee to the Regional Municipality of Peel Police Services Board was quoted in the Toronto Star as indicating that she believed policemen and policewomen routinely lie in court to protect other police officers.

The Peel regional board, endorsed by Peel regional council, called for an inquiry under the Police Act into the allegations with respect to the NDP appointee to determine if what she said was accurate or if indeed her denial was accurate. The minister has rejected that request and in effect has said: "We can't get to the bottom of this. We have two differing points of view and can't get to the bottom of it." He has not really tried to get to the bottom of it. He has

reviewed the correspondence. He has looked at the news articles.

What I am asking the minister today is a very specific question. Is he not concerned, as the top police officer in this province, that he may have appointed an individual to a police services board who is going to sit in judgement of policemen and policewomen, that the person he has appointed may indeed have an anti-police bias? Is he not prepared to take this at least through an investigation, to make the best possible effort to determine whether he has made an appropriate appointment?

Hon Mr Pilkey: I did share information with the House, I believe on Thursday, that I had indicated in a letter to the Regional Municipality of Peel Police Services Board that based on the information forwarded to me, it was not conclusive. As a matter of fact, it was quite contradictory and there appeared not to be any basis that would be fruitful in enhancing the positive relationship we desire with our policemen and policewomen in this province. In the absence of anything more concrete than was forwarded to me, I saw no purpose in engaging in further activity at this time.

Mr Runciman: I do not know how the minister can have a positive relationship when he has essentially done nothing. He has left it hanging in the air. The police officers believe their reputations have been sullied. This minister has a responsibility to try to get to the truth and he has done absolutely nothing. I suggest if these charges or comparable charges were laid against a police officer, the government would go the extra mile to determine whether there was any truth to them, but when it is one of the government's appointees, it is forget it; sweep it under the rug; do nothing about it.

I want to say that we have the police chief, we have Mayor Hazel McCallion, we have very responsible citizens in Peel region who are extremely concerned about this. I ask the minister to reconsider, to go that extra mile to determine whether this individual is an appropriate appointee to be placed in judgement of policemen and policewomen in Peel region.

Hon Mr Pilkey: Certainly if that information was the fact, I would share in the level of concern that has been raised here today. As I indicated, based on the information that came to my desk and to my attention, there is an absolute conflict in the claims of those who are involved. It appears to be irreconcilable. I do not believe there is anything to be gained by fostering information based on the type I personally received.

In terms of these being NDP appointments, I might indicate that we are committed to opening up the government process. Under this government we now have generic application forms. This is a significant change from the previous government. All these employees are in fact screened through a particular committee to see whether they are meritorious for this kind of appointment. These are not just straight partisan appointments.

CHILD CARE

Mrs MacKinnon: My question is to the Minister of Community and Social Services. May I take this opportunity to congratulate the minister on her appointment.

On Friday, the Ontario Coalition for Better Child Care held a news conference on the crisis in child care work in Ontario. As the minister is aware, I am sure, rural child care in Lambton county is a very integral part of the rural riding I represent. Indeed, without such programs, many farm children would be without proper care while their parents keep their farms going. What is the government doing about this child care, as we heard on Friday?

Hon Mrs Boyd: I am happy to have an opportunity to respond to the concerns the child care coalition brought forward on Friday. I join the coalition in those concerns. Child care is a priority for this government and for me. We have already begun, in terms of the number of spaces that were allocated by the previous minister, to ensure that there is more availability. All 5,000 of those new subsidized spaces have been allocated. They are all at various stages of implementation and we expect them to be fully in place by the beginning of next year.

The larger step, of course, is that we need a thorough revamping of the entire child care system. We need to pay particular attention to rural child care. As a result, in consultation with the members of the provider community, we will be releasing a major consultation paper in the new year. It will focus on all the issues, particularly affordability and availability, that were raised by the coalition. That will give an opportunity to the people across the province to build a consensus on how to deliver child care to every child who requires it and every parent who chooses it.

Mrs MacKinnon: The coalition is calling for the government to assume 100% funding of subsidized spaces instead of cost-sharing with municipalities. Will the minister be looking seriously at this, and if so, how soon?

Hon Mrs Boyd: At this point in time we are already paying both the provincial and the federal governments' share of the new spaces. The spaces already announced have to be paid for without the benefit of a contribution from the federal government because of a cap on the Canada assistance plan. This results in a revenue loss to Ontario of over \$1 billion. The coalition's request needs to be considered seriously because child care is in a crisis, but it must understand, as must all people in Ontario, that we are facing a very difficult economic reality.

The other issue is that we are in the process of looking at disentanglement between the provincial and municipal governments around such issues as the delivery of child care. This whole issue has to be considered in relation to that disentanglement exercise. So while we are going ahead with the consultation, all these issues will be on the table and will be considered very seriously.

OAK RIDGES MORaine

Mrs Caplan: My question today is to the Minister of Natural Resources. In July 1990, the then government expressed a provincial interest under the Planning Act in the GTA portion of the Oak Ridges moraine. We know the importance of the moraine and that it contains significant

natural features, and probably most important for people in this area, the headwaters of some 30 watercourses, which include the Rouge and the Don and provide drinking water for some 10 communities including King City, Aurora and Stouffville.

The June 24 announcement of the Oak Ridges moraine implementation guidelines for the greater Toronto area included this statement: "In areas of the moraine outside the GTA, municipalities will be strongly encouraged by the province to adopt and apply the principles of the implementation guidelines." What specific actions has the government taken with these affected municipalities to encourage adoption of the minister's guidelines?

1500

Hon Mr Wildman: The member is correct in the quote she gave from the announcement made in June regarding the Oak Ridges moraine. As she knows, the statement made at that time, as had the previous government's expression of interest, dealt with the GTA area mainly, but we are indeed prepared to engage in discussions with municipalities outside the GTA to assist them to implement changes which would be of similar import.

Mrs Caplan: I am even more concerned after hearing the minister's response. He said "prepared to engage in discussions." That sounds like a lot of words and no action at all. The fact is that there is not even a process within his ministry to organize any of the biophysical information that is required to be collected. This seems to me to be just a waste of time and energy. This is of importance to the people of the greater Toronto area.

To those who are concerned about safe drinking water as a result of the protection of the moraine, I would say that the Minister of Municipal Affairs recently has refused to declare a provincial interest in the Kirby Estates case. That is located in Durham. He has said it is not a matter of provincial interest. That was requested by the Save the Ganaraska Again community group. We know that the chair of the Ontario Municipal Board has stated that this refusal to declare provincial interest has damaged the public group's case. He also pointed out that the minister's guidelines were just guidelines and they were not etched in stone.

The Speaker: Would the member place her supplementary, please.

Mrs Caplan: Since his interim guidelines are supposed to protect the moraine and the headwaters, what specific contingency plans has the minister prepared and what does he have in place given the test case of the Kirby Estates, which I believe is seriously endangering the headwaters of the moraine?

Hon Mr Wildman: That was a very long and involved question. It reminded me of answers that the member used to give when she was on this side of the House. I would simply say I will not comment on the Kirby case or the statements made by the representatives from the Ontario Municipal Board. The questions raised would more appropriately be directed to the Minister of Municipal Affairs.

I should say that it is most inappropriate for this member to stand in the House and suggest that the statement I

made on behalf of the government in June is unimportant, when her party, when it was in government itself, expressed provincial interest in the GTA, and the member knows clearly that the main thrust of the statement made in June was the protection of the GTA section of the Oak Ridges moraine.

VEHICLE LICENSING OFFICES

Mr Turnbull: My question is of the Minister of Transportation. Is it the minister's intention to close the privately operated driver licensing and vehicle registration offices and turn their operations over to the insurance industry as a payoff for their support for his government's forthcoming auto insurance proposal?

Hon Mr Pouliot: The world is upside down but only in the eyes of the beholder. There has never been and there will never be a payoff. This administration is open-minded. It does not get involved in payola. We are satisfied with the 288 people—the private system at its best—since they are dispensing the most essential of services, that of privilege, courtesy and, yes, perhaps the right of those 6.3 million licensees in Ontario.

We have a \$30-billion investment in the infrastructure in terms of roads and transfers to municipalities in this province. The system is working quite fine. If it ain't broke, don't fix it.

Mr Turnbull: When it comes to payoffs, I wonder what we would call the appointment of Marc Eliesen and Susan Eng.

An hon member: And Bob White.

Mr Turnbull: Yes.

Interjections.

The Speaker: Order.

Mr Turnbull: This minister's government has called for the proposal from the Insurance Bureau of Canada on how it would like to operate these offices. The assistant deputy minister announced at a meeting with industry representatives that the government is planning to establish a schedule 2 crown corporation to be responsible for this service. Surely we do not need any more bureaucracy. Will the minister come clean and tell us why he is going to destroy this efficient, private sector industry in favour of more bureaucracy and a payoff to the insurance companies?

Hon Mr Pouliot: With the highest of respect to the critic and distinguished member opposite, he does not even take yes for an answer. What we have here, I repeat, are 288 small, private enterprises located throughout the province. They are conducting approximately 90% of all vehicle licensing transactions and 63% of all driver licensing transactions—and I am quoting from our records, the honourable member's and mine—and it is working very well.

By way of conclusion, this is what those fine soldiers are doing, and it is not terribly lucrative. They are doing it because they believe in providing an essential service. They process over 12.5 million transactions, collecting approximately 85% That is \$665 million. I know the member opposite will want to join me in congratulating those fine women and those fine men who are providing the service for all Ontarians.

CORRECTION

Mr Chiarelli: Mr Speaker, last Thursday, October 17, 1991, I raised a point of privilege in the House. On page 2999 of Hansard, I am reported as having said, "I, as an MPP, was required to pay personally to the legislative library researcher close to \$300 to get this information."

What I intended to say was, "I, as an MPP, was required to pay personally to the ministry via the legislative library researcher close to \$300 to get this information," and I would like to correct the record.

PETITIONS

SOUTH LINCOLN HIGH SCHOOL

Mr Henderson: Mr Speaker, I have a petition to the Legislative Assembly of Ontario and it reads as follows:

"Whereas South Lincoln High School in Smithville, Ontario, is in desperate need of additional classrooms and a gymnasium,

"We, the undersigned, petition the Legislative Assembly of Ontario as follows:

"That they provide the funding necessary for the addition to South Lincoln High School through whatever means possible within the jurisdiction of the Minister of Education."

I have affixed my signature to this petition, and it has a total of 437 signatures.

TOBACCO TAXES

Mr Jordan: Mr Speaker, I have a petition from the Niagara Regional Fair signed by 959 citizens to the Legislative Assembly of Ontario, and it reads as follows:

"Whereas the present high levels of taxes on tobacco products are excessive and contrary to the interests of Ontario's two million smokers; and

"Whereas high tobacco taxes are contributing to retail theft and to our province's cross-border jobs and shopping crisis; and

"Whereas these punitive taxes and resulting lost sales are contributing to inflation, as well as costing jobs in Ontario; and

"Whereas high cigarette taxes are regressive and unfair to low- and modest-income citizens;

"We, the undersigned, petition the Legislative Assembly of Ontario as follows:

"That Ontario's tobacco taxes should not be increased in 1991, and further that these taxes should be repealed and a new, lower and fairer tax be introduced."

This is signed by 959, and I affix my own signature.

ORDERS OF THE DAY

POWER CORPORATION AMENDMENT ACT, 1991 LOI DE 1991 MODIFIANT LA LOI SUR LA SOCIÉTÉ DE L'ÉLECTRICITÉ

Deferred vote on the motion for second reading of Bill 118, An Act to amend the Power Corporation Act.

Vote différé sur la motion visant la deuxième lecture du projet de loi 118, Loi modifiant la Loi sur la Société de l'électricité.

1515

The House divided on Mr Ferguson's motion for second reading of Bill 118, which was agreed to on the following vote:

La motion de M. Ferguson pour la deuxième lecture du projet de loi 118, mise aux voix, est adoptée :

Ayes/Pour—66

Abel, Allen, Bisson, Boyd, Buchanan, Carter, Charlton, Christopherson, Churley, Cooke, Cooper, Coppen, Dadamo, Drainville, Duignan, Farnan, Ferguson, Fletcher, Frankford, Gigantes, Grier, Haeck, Hampton, Hansen, Harrington, Haslam, Hayes, Hope, Huget, Jamison, Johnson, Klopp, Lankin, Laughren, Lessard, Mackenzie, MacKinnon, Malkowski, Mammoliti, Marchese, Martel, Martin, Mathysen, Mills, Morrow, Murdock, S., O'Connor, Owens, Philip, E., Pilkey, Pouliot, Rizzo, Silipo, Sutherland, Ward, B., Ward, M., Wark-Martyn, Waters, Wessinger, White, Wildman, Wilson, F., Winninger, Wiseman, Wood, Ziemba.

Nays/Contre—36

Arnott, Bradley, Brown, Caplan, Chiarelli, Conway, Cousens, Curling, Eves, Grandmaître, Harnick, Harris, Henderson, Jackson, Jordan, Kwinter, Mahoney, Marland, McClelland, McGuinty, Morin, Murdoch, B., Offer, O'Neill, Y., Phillips, G., Poirier, Poole, Ruprecht, Sola, Sorbara, Sterling, Stockwell, Tilson, Turnbull, Wilson, J., Witmer.

Bill ordered for standing committee on resources development.

Le projet de loi est déferé au comité permanent du développement des ressources.

Mr Harris: On a point of order, Mr Speaker: The member for Lambton today asked what I thought was a very important question. I wonder whether the Speaker, the House or the House leader for the government could indicate to the member for Lambton that when she raises a question about the Agenda for People, which she was asked to campaign on, and that promise is not kept, she has the option of being dissatisfied with the answer and debating that at six o'clock, bringing forward that concern. I think it is very unfair that she was asked to campaign on 10,000 spaces this year and 10,000 new spaces next year when the minister refused to honour that. I wonder if you could bring that to her attention.

The Speaker: I appreciate the thoughtfulness of the member for Nipissing, the leader of the third party, in drawing the various rules and standing orders to the attention of other members.

INCOME TAX AMENDMENT ACT, 1991

LOI DE 1991 MODIFIANT LA LOI DE L'IMPÔT SUR LE REVENU

Resuming the adjourned debate on the motion for second reading of Bill 83, An Act to amend the Income Tax Act.

Reprise du débat ajourné sur la motion visant la deuxième lecture du projet de loi 83, Loi portant modification de la Loi de l'impôt sur le revenu.

The Speaker: The member for Simcoe Centre had the floor when we adjourned the debate. Then by rotation to the official opposition. Are there any members who wish to participate in this debate? The member for York Mills.

Mr Turnbull: I view the debate about Bill 83 on the surcharge on income tax as a very important measure of the direction this government will take in strangling the economy. It is not just another tax grab. What the government must realize is that the excessive tax burden is driving many people out of Ontario. Speaking as the member for one of the most affluent ridings in the province, I am very aware of the number of entrepreneurs saying to me, "I'm not going to stay and fight; I'm simply leaving."

I am sure the government members are very sincere in their expression of the fact that they want to protect workers and make this a fair place to live, but I suggest that Ontario is a very fair place to live in right now. The province was a very fair and admired place when the Conservative government last was in office here. This province moved so far in terms of social justice that we were the envy of the world.

It is becoming harder and harder to get companies to expand or even stay in this province and it is becoming harder for companies to recruit top executives. Multinational companies are finding it difficult to get executives to come to this province unless they can have a very special tax deal where part of their income is paid overseas, which has the effect of draining away taxes.

This government should not think it can just tax ad infinitum. Eventually the system will back up on them and they will not have the revenue because they will not have the jobs that will drive the taxes to pay for all the social programs I know they are sincere about.

It is one more nail in the coffin of Ontario. I say this with great feeling because I came to live in Canada in 1969 and believe Ontario is a wonderful place to live. It has always been a place that has encouraged the entrepreneurial spirit. More than anything else, the tax grabs of the previous Liberal government, 33 of them, and the \$1 billion worth of extra taxes they have levied so far in their last budget, are driving away business.

The ministry estimates that 3% of Ontario taxpayers will be affected by this tax. They may say: "Who's worried? We're the government. We don't have those people voting for this." I guess that is not correct according to what they are going to pay Marc Eliesen, but as members know I do not have a great deal of sympathy in that area. My concern is the loss of jobs, the loss of businesses and the loss of entrepreneurs. Once they have lost the entrepreneurs who create the small businesses that create the greatest number of job opportunities, we will have very little and we will be left with the situation we have: large companies that will be encouraged more and more to have a branch plant mentality.

I would like to turn to the budget, which was the greatest blow, in terms of contributing to the economic growth

of Buffalo. Ask anybody who has anything to do with Buffalo—real estate and businesses—and Buffalo is going through a boom. It is very interesting that the rust belt of the United States, which went through a similar downturn in the last recession, has responded by realizing that you do not tax businesses out of existence. You encourage business to locate there because businesses translate into jobs, and jobs into prosperity.

If we continue to spend like drunken sailors there will be nothing left. When we find out the error of the NDP government's way, its knee-jerk reaction is to talk about the federal government's deficit. The fact is that the federal government took over a huge debt and is struggling with it. This government is increasing the debt and taxes the same as the Liberals before it.

The Liberals increased taxes and spending during the best five years this province has ever known. These are not the best five years this province has ever known. These are arguably the worst times we have had since the Great Depression. It is important that we maintain an economy which is capable of employing people, and the confidence of business is the thing which, above all issues, drives the economy. If we have people who say, "No, we can't succeed in Ontario," business will not invest money. They will invest it overseas.

Money is very portable nowadays. Even 20 years ago, when Britain was going through so many of its socialist antics, we saw that money was tied down in Britain. That is not the case in Ontario, because we are one province in Canada and money is entirely portable throughout Canada. So long as the NDP does not control the federal government it cannot keep the money in Canada, but if it did form a federal government I suspect that would be what it would do; it would bring in exchange controls. Exchange controls were the very thing that killed the British economy. It was only when they had a good dose of free market spirit that business developed again in Britain.

When they start controlling spending, as I believe they are beginning to understand they must, that smacks somewhat of closing the barn door after the horse has bolted. To date the controlling of spending is only \$460 million, which is in fact deferred to next year. They have to consider reducing the number of services the government gives and privatizing a lot of services. This does not suggest for one minute that the Conservatives are against supporting workers, unemployed people and single mothers. We believe in a healthy social agenda which will consider everybody, but the way the government is going about it is wrong. The government is going to double the provincial debt in just four years.

1530

It is fundamentally unfair, at a time when we know the country will be coming out of a recession, that the government will continue to pile on enormous debts. The minister should be compelled to balance the budget within the term of office. That does not mean in individual years the government has to balance its budget but, unfortunately, we are now dealing with our children having to pay our debts. Pretty soon we will working on our grandchildren having to pay our debts.

The government is going to get this province into the same unfortunate position that the federal government is in, one in which it will never be able to pay back the debt. We know that at the federal level one third of all government spending is with respect to servicing the debt. Is that an admirable direction? I do not think so. Unfortunately, that is what the government is doing.

We look at the accumulated deficit and put it in perspective. When the Conservatives left office, it was \$26 billion. The Liberals, in just five years, added \$10 billion. I can tell members that for more than any other reason, I ran in the last election because I was so outraged at this galloping spending. I never could have believed in those times that we would be looking at increasing the debt to \$70 billion.

I really put it to all the members of the government—and I am not attacking what the members believe is right—that we are on a slippery slope and we may never be able to fix the economy of Ontario unless we address the fundamental problem, which is that government does not efficiently deliver services.

We have only to look at such issues as affordable housing. We are failing with respect to affordable housing and yet we are spending a huge amount of money. For each affordable housing unit that we create in this province, we are spending, on average, approximately 150% of what the private sector would spend to create the same housing. We must build an atmosphere where private business wants to invest in affordable housing. By driving the entrepreneurs out and driving down real estate values, the government will not do this, and this surtax is certainly going to do that.

Having spoken to many constituents who say they are going to leave, I am depressed. I am concerned that perhaps because the governing party predominantly represents the more traditional areas where labour lives, it does not get enough opportunity to speak to business people. I am not talking about the big companies that can afford to effectively lobby the government. I am talking about small businesses that employ three, four, five and 10 people; indeed, the businesses which generate the most jobs in this province. They are telling me they are moving.

I hope the government does not think this is a good sign. I hope it does not think I am making this up. Indeed, when we look at the survey taken last week, we know that something in the order of 500,000 jobs will be lost in this province by the attitude of the government. Attitude does not come from one single item, but when we look at the wage protection bill and some of the very negative messages which were sent out with the initial reading of the bill, and then we look at this surtax and we look at the proposal that it will only take 50% of the people in a business to organize into a union, these are all nails in the coffin, the coffin of Ontario.

When we look at accumulated deficits historically, Ontario's will be the largest deficit in the whole of Canadian history, province by province. Next comes Quebec's. In Quebec, we see that in the 1984-85 period, it was just over \$3 billion.

A core issue is piling up debt. It is a millstone around taxpayers' necks for generations. The deficit represents 3.4% of the province's GDP. It was only 2.3% of the GDP in the last recession. By 1994-95, the projected deficit, in GDP rates, will be double. The service cost on Ontario's debt is beginning to eat into the government's ability to spend money on the people most in need. By 1994, the daily cost of debt to taxpayers will be \$13 million in interest payments alone.

I cannot help but think back to the early part of this debate, when my colleague the member for Victoria-Haliburton said something I thought was very true. He said that we have to learn to say no to people. One of the parts of his job that he was finding difficult was saying no when groups came to him in his constituency. Indeed, I think all parties have to get their heads together on this issue and learn to say no.

We know that the way politics are organized with the party system, you protect your budget and the opposition parties dump on you. I think the dumping has to stop and we have to get the government to believe that we must cut back. But we in opposition also have a responsibility, and I can tell members that last Friday I was exercising what I considered to be the principles I am talking about. A couple came to me looking for money for a private sector enterprise, because they said they were not making any money. They were producing a television program aimed at seniors. They said they had cut a deal with private television stations that allowed them to get a portion of their revenue from the advertising they could sell during the program, but unfortunately they were not making any money. Could I get some money from the government?

Recognizing that these were people who were probably more likely to vote for the Conservatives than the NDP, the cheap shot would have been to say, "I think it's awful what the government is doing." But it would be hypocrisy on my part if I were to stand up and say that I thought the budget was wrong and the spending was wrong if I were advocating more spending by the government. I told them so very frankly, and they said it was refreshing to have a politician who was straightforward and honest with them, but at the end of the day, I am sure they would much sooner have had the money.

The treadmill of debt is something I have spent a good deal of time thinking about lately. I think we must come to recognize that we cannot buy jobs. When we look at some expenditures that the government is proposing, the de Havilland bailout is going to cost \$155.5 million for 4,900 promised jobs; the money is not yet spent. Elliot Lake: \$250 million for 650 jobs. The auto insurance scheme: The government certainly got off to a bad start on that. It spent \$5 million, and for what? It has reclassified senior civil servants, and that cost the government \$17 million.

1540

It has been said by my leader that NDP tax policy is, "If it moves, tax it; if it still moves, regulate it; when it stops moving, subsidize it." This government has had 14 tax increases in the budget and \$1 billion in tax hikes this year alone. The biggest hit was a 3.4-cent-a-litre increase in gas tax, which we will be debating afterwards. All these

things come together to make us a very heavily taxed administration. We are now the most heavily taxed administration in the whole of North America, and that quite simply drives away business and drives away jobs.

I am sure this government does not want to lose jobs. I am sure that behind closed doors, in its caucus meetings, it has these wrenching sessions where one person says, "Look, if we do this, that's a problem." But ultimately they feel they have to come forward on to the floor of the House and be shoulder to shoulder and support the government. It is their responsibility as backbenchers to persuade the government that this policy is wrong. The increase in the surtax does not affect many of their members. It does affect a few, but more than anything else it means they are going to tax away jobs.

Since 1985 we have had 40 tax increases. There was \$18.6 billion more in taxes this year than in 1984-85. This is a 126% increase in provincial taxes in that period. Over the same period of time, per capita income has risen by 55.8%. In other words, people are falling behind, even highly paid people. I was speaking to one of my NDP colleagues from across the floor the other day, bemoaning this fact. To his credit, he understood the need to make sure we keep high-paying jobs in the province, because they are the driving force that set up businesses.

Let's reflect on what you do when you set up a small business. I keep harking back to small business, maybe because I am a small businessman myself. You invest your after-tax dollars and risk them in a business in the hope that you are going to make a profit. When you are successful, the government is in for 50% of the profit. It is very unusual to set up a business and make any money in the first two or three years, so you know that not only are you putting in your initial investment, but you keep on feeding the beast over the years. As you feed it, you go a little bit farther down the tunnel, and you hope the light at the end of the tunnel is not a locomotive coming towards you.

As I say, if you are successful you will probably pay 50% in taxes. Then, if in few years' time you feel you have worked very hard and you want to get out of that business, you sell it and you have capital gains on that. You are taxed at every stage of the game. You have put your after-tax dollars at risk, and at a certain point you say that the risk is not worth it, that you would sooner put your money into a lending institution, where hopefully there is no risk, and get interest. Quite literally, most small businesses in Ontario, and many large businesses too, are hanging on at the moment in the hope they will show a profit again in the future. This is quite literally what is happening; the business is not making money. A lot of traditional cash cows are no longer cash cows; they are fallow.

Nearly 80% or \$3.5 billion more in retail sales taxes has been added in the last few years, since 1984-85. A huge 66% has been added in gasoline taxes alone. Some 223.7% more in land transfer taxes since 1984-85 and 80% more in personal income taxes since that time paint a rather dim picture of tax grab after tax grab. What are we going to do that will spell relief? I do not think a Roloids will do the trick. We have to get back the confidence of

people that they will be rewarded in this province for investing and working hard.

I am somewhat interested in some of the comments that have been made to me by NDP members who are ex-union people, where they have said that they are working much longer hours than they worked when they were in the union, and they are complaining that their benefits package is not as good as when they were in the union. That is somewhat akin to running your own business. Often small businesses are making less money than unionized workers, and yet the perception is that when they do have a good year and they make a lot of money, the government says, "Oh, we have to tax them, because that's bad."

Sometimes you have to pile up the money in good years for the bad years. It is an old-fashioned concept, and indeed when I think of economics, we know that John Maynard Keynes is often blamed today for flawed economics. I think it is flawed economics, because he did not take in all the considerations that are now considered to be important in arriving at a complete economic picture, but in fairness to John Maynard Keynes, he said, "In the good years you put money away, and then you prime the pump in the bad years."

This province has not put any money away in a long time and consequently we have this huge debt. Quite simply put, when you pile up debt, you are just deferring taxes. It is not going to go away. A few people have suggested that if you have enough inflation, suddenly your debt will be reduced to an insignificant amount. But unfortunately, the way our economy works—if anybody saw the article in the *Toronto Star* over the weekend, or it may have been today, it is about "Who Drives Interest Rates."

We have heard the NDP often railing about the federal government as being the bad guys who kept interest rates up and kept the dollar up. To a great extent, the fact that we do not have enough taxes to feed the monster of government at the federal and provincial levels means that governments have to go out and borrow money, and because there are not enough Canadians any more who are prepared to invest in Canada, we now know that we have to borrow money overseas.

The treasury bills are auctioned each week at a rate which has to be attractive to investors. They put in their bids. It is not a question of the Bank of Canada saying, "This is the rate which is on the T-bill"; it asks for bids from the various banks. The banks come back and they say how many dollars they are prepared to invest and what the discount has to be. As a consequence there is a barometer as to how high the interest rate will be, because the Bank of Canada simply sets the bank rate at a quarter point higher than that each week, and that is because governments have been spending out of control for many years.

Ultimately I suspect the only way we can solve this is by getting the provincial and federal governments talking together in a more co-operative way. I have heard it said by Bob Rae on several occasions recently that he believes governments at the federal and provincial level should be more co-operative, and yet I have seen no indication that

he is prepared to change his ways in order to get greater co-operation.

1550

There was a comment made in a report by the Bank of Nova Scotia dated April 29, 1991, and I would like to read that into the record:

"Ontario is relying increasingly on personal income taxes as a source of revenue. The provincial income tax is expected to account for over 37 cents of every dollar raised this year, up from 26 cents in financial year 1984-85. Over the same period, federal transfers have fallen by six and a half percentage points to 12.4% of provincial revenues. Weak economic activity has significantly eroded retail sales, land transfer and corporate taxes since the onset of the recession, so it has become easier to hike income taxes than to make the tough decisions to control spending."

This is the issue we always get our friends on the government side raving about. We have said, "You need to cut the size of the civil service." I am not talking about a slash-and-cut idea, but the last Conservative government reduced the size of the civil service by some 5,000 people over a 10-year period and they did that through attrition. There was nobody sacked; they simply got rid of people slowly and reduced the size of the civil service, and yet the government was still able to deliver an acceptable level of services. I put it to members that we have to start thinking of doing that kind of thing.

I understand that this is something which runs counter to the NDP's platform, because traditionally they have sought to attract the more junior levels of the government service as voters. When we look at last year's increases we know that there was a huge increase. Officially it was 5.8%, but that was plus merit increases to the civil service of up to 8%. In fact, some top bureaucrats received \$11,000 in salary increases, for \$512 million. These are serious numbers. These are the kinds of numbers that could fix our agricultural problems in the province. So when we are advocating cutting back, we are simply saying, "You have guaranteed jobs in the civil service, highly paid jobs. Make sure you use that money more wisely and then you don't have to come back and say, 'Well, we can't help agriculture,'" which is a further erosion of our economy.

We look at the Ontario Hydro pension fund, which I am given to believe is fully funded. If we did not put another penny into the pension fund for the next 10 years, it has been suggested by one ex-senior Hydro official, we would still have the pension fund fully funded, and yet this year we are forced to put something in excess of \$250 million into the pension fund at a time that we are seeing 12% increases in rates, and it is projected that overall we are going to have a 44% increase in hydro rates.

What I am doing is going through this shopping list, because the members opposite often accuse us and say we do not suggest ways of saving money and readjusting spending. We look at affordable housing and we look at Ataratiri. The project will now cost \$2 billion. That is \$60,000 in interest charges per day and no homes have been built yet. The Ataratiri units today are projected to cost \$258,000 per unit. I really would ask members, is there anybody on the government benches who believes

that is affordable housing, at a cost of \$258,000 per unit? You can pick up the newspaper any weekend in this city and you can go through the houses for sale and you can find lots and lots of apartments which are half that price.

I know the members opposite are attached to the idea of creating affordable housing. We are not suggesting we should not have affordable housing. As members know, the Conservative proposal is to make sure there are housing subsidies to the people in need. Notwithstanding the fact that I have a very affluent riding, I have people who are paying 40% and 50% of their gross income on rent. We want to help them, but the way the members opposite are going at the moment is they are squandering money and they are not getting value for money. I challenge anyone to pick up the Saturday Star and read about the houses and apartments for sale and see if he cannot find lots and lots of units for considerably less than \$258,000 per unit.

Our economic outlook is bleak. Our gross domestic product is expected to shrink by 3.3%. We are losing 12,000 jobs a day in the province and the unemployment rate this year is 10%. When the government came to office it was 6.3%. I am not blaming the government for this. We know that there was a world recession on. Indeed when I spoke to my brother in England a few days ago, he was bemoaning the terrible times in England. When I spoke to some German senators who were here on a visit two weeks ago, they were telling me how bad things were. When I spoke to a sister-in-law in Switzerland two weeks ago, she was telling me how bad things were in Switzerland.

There is no doubt the world is in a recession, but it is important that Ontario bounce out of it. I do not expect us to bounce out of it in the way we have in the past. I do not think that is an option that is open to us no matter which government is in power, in fairness to this government. But the important thing is to create an environment in which people feel like investing, or more especially feel like staying and continuing to invest.

On the question of decentralization of government ministries, we have not seen a proper impact study into the movement of these jobs. We know that traditionally about one third of all jobs move when a ministry moves out of town. We have not seen a fully loaded cost study which includes the cost of travelling back to Toronto for all the meetings they are expected to attend here. If the government is going to go through with decentralization, I would urge the government to look at an ambitious project to make sure that we have electronic communications with media rooms so that people do not have to travel back to Toronto, because the costs of hotels and travel are eating us alive.

When we look at day care centres we see that capital projects for non-profit centres are being funded, and yet at the same time there is no further funding for the for-profit sector, even though there are 3,000 vacant spaces in the for-profit sector in this province and they are not being funded. I put it to the members that I have toured day care centres and there are many day care centres which are every bit as good as, if not better than, the non-profit day care centres, but people wanting to bring their children to

those centres cannot because there are no subsidies available for them.

Please, I ask the government to get rid of this notion that the word "profit" is an evil word. I know that behind closed doors there have been discussions among government members that somehow they have to engage in some social engineering and change the whole structure of our society and that capitalism is inherently wicked. If the government really believes that, it should be decent enough to come forward and say it in the open. Do not go through the myth of having the Premier suggesting that he wants co-operation with business and yet he is not prepared to co-operate by changing his policies.

The province's finances are in tatters. I do not hold the government entirely accountable, but believe me, the people of Ontario will hold the government accountable if it runs the deficit up to \$70 billion by the time its office term is over. It is unfair to the people who vote for it and it is unfair to the people who do not vote for it because, somehow, somebody has to pay it back.

Tax freedom day in Ontario is coming later and later each year. We are now waiting until close to August. That is the amount of time people have to work before they are working for themselves. The rest of the money goes to the province, the federal government and the municipal taxes.

1600

We need governments to live within their means. More and more I have my constituents coming to me and saying, "David, how can we get this message across?" No wonder people are fed up with governments when they do not listen to the people. The people are not saying to spend money the way this government is spending. They are saying they should live within their means.

Our credit rating in this province of course has been downgraded and if, as we suspect, the deficit comes in this year at some \$3 billion greater than was projected, I think it is reasonable to expect our credit rating will be further downgraded.

The impact on business is that it is simply too expensive to do business in Ontario. We have the commercial concentration tax, which was brought in by the past Liberal government. Indeed the NDP joined shoulders with the Conservatives when they were in opposition and said how wrong the commercial concentration tax was, a tax which discriminated against the people of the greater Metro area, who are already sharing a very large portion of the burden of taxation in this province. They added these discriminatory taxes which were applied only to the greater Metro area.

Our tax burden is 16% higher than that in the United States, on average. Companies are fleeing Ontario and, believe me, most of those jobs will not come back. I know because I have spoken to the entrepreneurs who have these businesses, and they have no intention of coming back, no matter what government is in, once they have left.

The Ontario public is going to be left to foot the bill when the NDP leaves government, and indeed I am convinced that after this term of government they will no longer be elected. That is up to the electorate to decide, but the electorate is very clearly telling them, "Reduce taxes."

When I look at the tax revolt in Blenheim, and it seems to be spreading throughout the province, I would say it is wise for any political party to understand the thrust of the taxpayers in saying: "We've got tax exhaustion. We can't pay any more." Probably the only way you are going to kickstart the economy is actually backing off on some taxes, not just holding them where they are.

Susan Murray of S. A. Murray Consulting Inc of Toronto pointed to the recently leaked NDP document on proposed reforms to the Labour Relations Act, which stated, "Consultations should be carried out to neutralize business opposition," in the absence of meaningful dialogue. I am very worried that the government wants to neutralize opposition instead of listening to opposition, because if it is neutralizing opposition, it is neutralizing business. If they neutralize business, there go the jobs of their constituents as well as mine. We have seen a very intrusive government with passage of such bills as Bill 70 and a retroactive rent control act.

The reality is that Ontario is trading north-south with the United States. For years and years the pattern of our trading has been north-south, and it goes right across Canada. We do not do heavy east-west trading. British Columbia trades with the west coast. Ontario trades with the central part of the United States, as Montreal trades with the east coast.

Unless we are competitive and unless we have those jobs—when I say "competitive," the government should not misunderstand this as a suggestion that we want it to go out and hack and cut wages but should understand that it must have people who are prepared to work hard and pay their fair share of taxes, but not too much in taxes. We are not going to be able to build the economy on government-created jobs. In the first two months of this year alone, 650 businesses went under. I think that wrong-thinking government is the problem, and the loss of confidence is significant.

Interjections.

Mr Turnbull: If the gentlemen who periodically heckles me does not believe this, he should go out and meet some small businessmen and ask them whether they are making any money. The member who was heckling me is now nodding his head; he does not believe it. Obviously he has not been speaking to small business. They are not making ends meet.

Mr Wiseman: Yes, but the first thing they tell me is, "Do something about the dollar." Have a secret meeting with your pals.

Mr Turnbull: The member who is heckling, talking about the dollar, obviously did not read the Toronto Star article I read to the members today. The Toronto Star is talking about the interest rates. The interest rates are the driving force of the dollar, and the interest rates are increased by government overspending.

Mr Jamison: The interest rates are going down, but the dollar is going up, right?

Mr Turnbull: The reality is that interest rates in other countries have been going down quicker than ours. They have said it themselves.

The loss of confidence in this province is well seen in the building trade. We are seeing that builders are going out of business at an alarming rate because they do not believe they are going to be able to fill their buildings. I will reflect on the builders of industrial buildings.

There is always a boom-bust cycle with commercial real estate. We know that and we expect it, and you can say that in many respects maybe a lot of small developers are unwise. They do not understand the cycles and there is a lot of luck involved in it. The problem is that if you create an environment where you do not believe there is ever going to be any light—what is happening is that banks are foreclosing on the mortgages of builders who have empty space because they do not believe that in this province we are ever going to be able to fill it.

We need the kind of restraint which says we should not be increasing the amount of parliamentary staff. We know that in fact the present government has made every single member of its caucus a parliamentary assistant if he or she is not a minister or a Chair of a committee so he or she will get more money. To my knowledge, this has not been done by governments before. We have had an astronomical increase in the number of political staff in all the ministries. There has never been as many political staff under any government as there is now.

We have seen an increase in the remuneration year over year for the civil service of 14.6%, which means that not only have we increased pay, but we have also increased the number of civil servants. Yet the imperative is to reduce it.

The chairman of Ontario Hydro, as I said, got an increase to \$400,000, yet he was earning only \$130,000. I ask this government why. Did they ask him and he said, "No, I won't work unless I get \$400,000"? He was prepared to work as a deputy minister. Was he only working one third of the time as deputy minister? I suggest he was not. He is not going to be working longer hours; he just wanted more. He wanted the big political payoff.

All political parties in this country should stop political payoffs. There is no doubt about it that all parties have indulged in it and it is time we have to wake up. We need to get confidence back in the economy and, most of all, we have to have the Treasurer back off his tax plans. As we examine the budget document we cannot escape the fact, based upon the projected increase in revenues and the deficit numbers, that to arrive at the increased revenue numbers he is somehow going to have to get \$10-billion worth of extra taxes in there, and \$10 billion of extra taxes is going to kill us. It is going to choke us.

If the Premier is serious about co-operation, he should repeal Bill 70, proclaim an abandonment of plans for succession duties and capital gains tax on principle residences, repeal Bill 121 and show some flexibility.

1610

Mr Bisson: I did not intend to debate this particular bill today, but after hearing some of the statements made by my honourable friend from the Conservative Party, I thought I would take this opportunity to raise a couple of

issues that were talked about and to talk a little bit about a few other things as well.

It is quite interesting when we get into these debates. Obviously, being three political parties, we bring in a different ideology to how we run government and how we do things in general. The whole idea of how the parliamentary system operates is that supposedly a political party has a particular ideology and brings that to the way it runs government. Obviously each of these political parties is going to talk about how it feels it should do things, that it should be there and how the other person who is there is obviously doing it all wrong. "If only I was there, I would do it better." I would just like to raise a couple of points in that light on what was talked about here.

One of the things the honourable member discussed in his debate, and I listened with great interest, was the whole idea of how governments are run, and specifically how the Ontario government is run, through the civil service in a not very effective, not very efficient way. It is an interesting statement, coming from a member whose political party ran this province for some 40 years. It seems to me the Conservative Party of the day was at the helm for some 40 years. They were the ones who controlled the civil service of this government. They were the ones who controlled and put together much of the policy in regard to how the civil service would conduct itself, how government would do business. They put together a lot of that.

Mr Turnbull: It was a good civil service in those days.

Mr Bisson: It is not to say that everything the civil service did and everything the Conservative Party did in that 40 years was wrong, but for the member to come here and say that all of a sudden, a year after the 1990 election, the civil service is somehow too bureaucratic and is not doing a good job I think is only a statement for political gain and has nothing to do with the reality of what is happening within the civil service of the province. I think most people would admit, including people in the civil service, that obviously any company, any government or any organization must always strive to find better ways to be able to deliver the services the particular business or government or whatever is trying to provide. That is called good management. But for the member to stand here in this House and to start talking all of a sudden about a civil service that is totally bureaucratic, not doing a job the way it should be and that is totally inefficient—

Hon Mr Ferguson: It's an insult.

Mr Bisson: I think it is not only an insult to me as a member, but I would say it is an insult to the civil servants of this province, who actually do a very good job for the people of Ontario. I think the member should think a little bit more when making statements like that, because what he is talking about are some 80,000 people who work for this province who really work hard at trying to provide services for the people of this province.

He should also keep in mind that it was his party that put together the system we have today. Much of it is good, some of it is bad and what this government is attempting to do and what this government is striving to do is to find

ways to be able to deliver the services to the people of this province in a way that is effective.

It is a very big process because, yes, we are a big province. There are some 9.5 million people in Ontario who demand service from the government. Those services are provided through the civil service of Ontario. It is not a task we will be able to undertake to change overnight or within a month or within two months or a year. It is a fairly lengthy process you need to go through to find better ways of being able to do the business of the province. We need to be able to put together a system over the long term that speaks about efficiency in the way you deliver services within Ontario.

But for the member from the opposition to speak about the civil service in the negative way he did I think is ludicrous. It does not reflect the reality of what is happening within the civil service of this province, and I would also remind him that it was his party that put the system together, so he should not preach to this government about how things are being done. They put the system together.

A number of other points the member raised are worth mentioning. I would really like to talk about one of them because it is something the constituents of my riding, as well as constituents in other ridings I have visited in the time I have been in this Legislature, have spoken about to me, and I imagine, not only to government members but all members of this assembly. This is all about the question of what kind of message the government is sending to the business community in Ontario.

The opposition would make us believe that trying to provide laws and regulations that speak about fairness to the people of this province somehow is scaring business away, that somehow businesses by the hundreds are packing their bags and moving across the border to the United States. It is not to say there are not businesses going to the United States, but I think we should recognize a few facts. Many of those businesses that have chosen over the past number of years—I would say three to four years—to move to the United States have been directly affected by some federal policies that have been put in place. I think we would admit that.

There was negotiated something called the free trade deal, which most Canadians have not forgotten about, that has devastated not only the economy of Ontario but the economy of the entire country of Canada. It has devastated us. Speak to the hundreds of thousands of workers across this country who have lost their jobs. Why? Companies have moved to the United States because the federal government, through the free trade agreement and other pieces of legislation, has put together a system that makes it much easier for them to get over there and not live up to their responsibility as corporate citizens within this country. That is why they are moving.

They are also moving because of other policies that have been put in place—I know the members of the opposition do not like to hear this, especially the Conservatives whose cousins sit in Ottawa at this time—the high interest policy and the high dollar. When I speak to the lumber sector in my area, around Timmins, Iroquois Falls, Kapuskasing and Kirkland Lake, and to the mining

communities, those companies come to me not only as parliamentary assistant to the Minister of Northern Development and Mines but also as a member and say: "The high dollar is killing us. It's killing our ability to be able to compete with the Americans."

What is the opposition really talking about when it talks about creating a climate that is more conducive to business? I think every member in this Legislature will admit and will push towards making sure that we provide the best climate possible. But the difference we are talking about in this government—

Mr B. Murdoch: What high dollar? The dollar's lower than it's been for the last 12 years.

Mr Bisson: I see I have awakened an honourable member on the other side. That is very good.

The point is, what are they talking about when they talk about a climate? Are they, the Conservative members of this Legislature, saying, "The climate we wish to put together should be a climate that says workers have no rights"? Are they talking about a climate that says, "We shall not protect our environment"? Are they talking about a climate in which there is no equity within our society?

When I listen to what they are saying, the message is that they want to create a society that has no equity within it. They want a society that returns to the good old days, what we now see in Chile and other South American countries that have very weak governments which allow companies to come in and do what the heck they want. "You want to open a mine in Brazil? You want to open a mine in Chile? Come and pollute our environment. We don't care."

Is that the kind of climate we want to see in Ontario? Those same countries are saying, "You want to come in and you want open up a business in our country and you want to kick your workers around and you don't want to pay them wages," as they do in Mexico and other countries. Is that the kind of country they are trying to build? Is that the message they are giving?

If that is what the members of the opposition are talking about, especially our Conservative friends, that is not the kind of province we want to see in Ontario. I think a vast majority of Ontarians would say: "Right on. We want to create a society that has equity within it, where we care about those who are not able to take care of themselves because of injury, because they are handicapped or because they may have mental problems with regard to difficulties they may have been going through because of stress or whatever. That is why we have our social programs. We want a society where, if you get sick, you have a medicare system to protect you when you are in need of medical attention. We want a society that says there is equity." That is what this government is talking about.

Excuse me, Mr Speaker, if I feel somewhat—I will not make that remark because it would be unparliamentary to say what I was thinking. If they are talking about putting together a society that says there is no equity and all of the laws are for an élite few, that is not the type of society we as New Democrats believe in.

Addressing myself more specifically to this bill, what are we talking about? The member stood here a little while

ago and talked about how this bill is going to do damage to the province, how this bill is going to drive out the business sector of Ontario because it is sending the wrong message. What is the message in this bill? If you make under \$22,500 per year and are a single parent and have two children, you will pay no provincial income tax. I think that is a pretty good message to give people.

1620

What is he talking about? Does he want people who cannot afford to pay taxes to pay even more, as his federal cousins did with the GST? No, this government said clearly that we should not be trying to tax excessively those people who do not make enough money and have families at home they have to provide for. We should be trying to help them. That is what this bill is saying. It is saying that if you make under \$22,500 a year and have two children at home, you will not pay any provincial income tax. Bravo. It is about time a government spoke up for the little people.

The other part of the bill says—I think this is what is really irking our Conservative friend—if you make over \$84,000 a year, you should pay a little bit more. That is what the bill says. The bill specifically says that if you as a citizen of Ontario make \$84,000 a year or more, you will pay a little bit more tax—not 50% more tax, not 40% more tax, but a very small amount. We are talking in the neighbourhood of about 10%. I do not know the exact figure offhand, but I know, from the notes I have read, that it is somewhere in the neighbourhood of 8% to 10%.

If you make \$84,000 a year, I do not say that is a lot of money, but it is clearly a lot more money than the poor single parent who makes \$22,500 a year. Certainly the person with more money should pay his fair share of taxes. That is what we have said in this bill: If you make more, you should pay a little more. You should not be allowed to pay fewer taxes in this society. If you are making \$84,000, then you should pay more taxes than a person with \$22,500.

This bill talks about equity. That is what irks the member. He does not want equity in our society; he wants a society that caters to one particular segment of our society. This is not to say that this segment is not important. We need that segment of our society. We need the business people. We need the people with the money. We need millionaires. We cannot survive as a society without them. What we are saying is that those with money have to take the responsibility.

In the employment I had before I became a member of this Legislature I made \$60,000-plus a year. As a person making over \$60,000 a year, I expected I should pay a fair share of taxes. I did so and I did so willingly. I did not argue about it because I believed we should provide for people who were less able to provide for themselves because of circumstances not under their control. One should not go to the persons who are on social assistance because they are disabled and cannot work. There are people in this province, as in any other province, who are in that situation. What do we do? Do the Conservatives advocate that we throw them out in the street to the wolves? Maybe that is the way it was done in the old Conservative governments in

the 1930s, but that is certainly not the way we want to do it in the 1990s under a New Democratic government. We need to allocate dollars to those programs to make sure there is enough money to provide for those who are having difficulty.

The government is being very proactive. It is increasing the minimum wage. Why? So that it pays to go to work. Not \$5 an hour; that is below the poverty line. We are saying, "Let's try to increase the minimum wage to 70% of the industrial rate over a graduated period of time." Why? Because people do want to work, but they want to get paid for what they do. If a person happens to be on social assistance and is faced with the prospect of going to work and making \$7.50 or \$8 an hour, and can make more money working than on social assistance, he will work. People want to work but we need to remunerate them for those services.

The social cost is quite positive in the long run. When members in the opposition speak against it, I really wonder why they are doing that. Do they truly not understand what it is about or are they saying, "We want to set up laws for the elite few"? This government is not interested in that. We want to put laws in place that are fair and equitable to all members of society because that is the secret to this.

When looking at any law within Ontario or Canada, we need to write laws that are global laws, laws that do not only speak to a specific group sitting in one corner of the society but laws that recognize that there are other people who are affected by those laws. This is what the role of just government is about. It is about putting together laws that take into account that there is more than one side to any situation.

It is a little like a ball. If we sit here in the Legislature today and say, "This is the issue at hand," some on the Conservative side of the House may say: "We should answer it strictly from this side. We should look at the problem only from this side because that is the only side that matters." But there are people like Mr Speaker who sit in the chair who see it their way and there are people in the opposition looking at it their way. No matter which way we look at it, there is a different way of looking at it. The problem is not uniform. Any situation must be looked at from all sides, not the way they are talking about it on the other side, saying: "Let's look at it just from the one side. Let's look at it only from our side." No, we are not interested in that.

The member made an allusion that I did not object to at the time he said it. I was going to get up on a point of order but I said: "No, we'll let him say his thing. We'll let him have his time." The member talked about the whole question of affordable housing and tried to allude to how affordable housing was something they supported in some way but thought was a bad investment. All the program says is that we as a government will lend money to a co-op housing movement, for example, over a period of some 20 or 25 years. We are asking the co-op housing movement to go out and build the units and to provide rent at a reasonable rate. Over a 20- or 25-year period the government will then get its money back.

That is pretty good business to me. Sure it costs us money up front, but we end up getting it back over the long run and we end up providing affordable housing so that people can live in dignity, so that people do not have to live in squalor, so that people do not have to live on the street. We can provide the housing that is necessary, not only because it is something we want to do but because it is a social responsibility.

If government did not provide services such as affordable housing, social services, welfare and all of those other programs, what would happen to our society? We would not be able to walk the streets of Ontario. If a person did not have a job for whatever reason, because he was laid off because of the free trade agreement, was disabled or was an injured worker who got nothing, what would he do? He would stand on the street corner and say: "Stick 'em up and give me your wallet. I need money to pay my rent and feed my family." This would cost our society a lot more money in the long run because people would get hurt and people would get shot. We would have to spend more money on policing. There are many things we would have to pay for if we did not have the programs in place to serve the public good of society. There is truly a cost to that.

Earlier this year, I say to the members of the opposition, our government handed down a budget of some \$9.7 billion. Do you ever notice, Mr Speaker, that they always talk about the "NDP budget," the "socialist budget," in those kinds of terms? They forget to say a couple of things. The obvious thing is that the revenue of the province has decreased dramatically. The revenue this province is taking in this year compared to a couple of years ago is quite a bit less, by quite a few billion dollars. Why? Because of the policies that were set in place, because of the global economy we find ourselves in and because of what the federal government has done to us with regard to putting in the free trade agreement, having a high dollar and having high interest rates. There has been an effect. We have lost revenue because of it. We have also lost revenue because the federal government has cut back on our transfer payments. The cousins of the Tories who sit over here sit in Ottawa and have cut our transfer payments, as they have done to every other province. That is why our deficit, as well as our expenditures, has gone up.

Why? There are many more people today in 1991 who are in need because of the way the economy is for whom we have to provide. We have a million people on social assistance in this province. What do we do? Do we leave them to the wolves? No, we must provide, but we must plan at finding long-term solutions so we do not find ourselves in that position again. This is what this government is interested in doing.

1630

The other thing they do when they talk about the deficit is they try to compare the Ontario deficit to the deficit of British Columbia, the deficit in Prince Edward Island or the deficit in Quebec. You cannot compare apples and oranges. It happens to be that Ontario has 9.5 million people of a total population in this country of some 20 million. Certainly we have a larger deficit compared to other provinces, but we also have a much larger economy.

As an example, we spend roughly \$50 billion a year here in Ontario compared to some \$16 billion in British Columbia. They have an operating deficit of some \$2 billion—we are not quite sure now. I am sure when Mr Harcourt moves in, he will look at the books and maybe find some surprises such as we were left with, but for now it is \$2 billion. Two billion dollars on a \$16-billion operating budget in British Columbia cannot be compared to \$9.7 billion on a \$50-billion budget in Ontario. They cannot compare apples and oranges.

The honourable member said the federal government went into Ottawa under the Tories and Mr Brian Mulroney in 1984 in order to fight the deficit. I remember the campaign well. They were going to fight the deficit and they were going to give us jobs, jobs, jobs. What did they do? They doubled the deficit. Some fiscal responsibility. Some managers. They tried to accuse us of not being able to manage. I think they should look at their federal cousins, ask them the same question and say, "Truly, you have demonstrated over eight years you can't manage. That is why the Canadian people want you out, as well as for some other reasons."

The reality is that what happens in this debate is the same message that has been trying to come out of the opposition. They have been trying to paint a doom-and-gloom picture in Ontario. They have been running around in opposition, yelling within the newspapers and through some of their friends in the business sector. I wish them well as far as the business sector is concerned. They accuse us of being allied to labour. I am proud to say I come from the labour movement. I used to work for the Steelworkers, I used to work for the Ontario Federation of Labour, and I say that with great pride. I think that is a great way to make a living and it is a good way to be able to advance social policy.

These people along with their allies within the business community have been running around this province yelling: "Chicken Little, the sky is falling. Ontario is falling apart because the socialist hordes have taken over in Ontario." That is what they have been yelling, and they have been undermining the confidence of the consumers in this province. I say shame on them, because they have been trying to undermine, trying to pursue that kind of tactic and trying to blame all the problems in Ontario on the NDP government. The reality is, we just took power a year ago. The problems that are here are clearly not all problems that were caused by the NDP government; 99.9% of them were here when we got here. That is the reality.

The members opposite run around saying, "Doom and gloom" and "Chicken Little" and "The sky is falling" and "The socialists have taken over at Queen's Park." They try to undermine, for political reasons, the position of the government, but what they end up doing is hurting their friends. They end up hurting the small business sector, which relies on the confidence of the consumer to walk through his or her doors to buy goods.

When I talk to people in my riding, as I talk to people around this province, some people—not all—are afraid to spend their money today because they are hearing all this talk that is going around: "I'm not going to spend money

on that new stereo system or the dishwasher or the automobile or whatever, because I want to see what is going to happen. I want to see some confidence in the economy." But the opposition runs around yelling, "Chicken Little," and it is almost like a self-fulfilling prophecy. If they do it long enough, they will undermine the economy to where we are not going to have 10% unemployment, quite possibly it will be a lot higher. That is what they have been doing.

I would like to summarize by saying that the members opposite must be very careful when they start to talk in this Legislature or speak within the society of Ontario. Their agenda should be to try to boost the confidence of consumers. They should be trying to encourage investment in Ontario, not scare it away, as they have been trying to do for purely political gain.

The last point I would like to make is that if the Tories, and to a certain extent the Liberals, are speaking about a society that has no equity, a society that has a let-her-rip attitude that says, "We don't want to provide for a healthy workplace; we don't want to provide for a healthy environment" that is not the Ontario I wish to live in. I think that is why the people of Ontario voted massively in the last election to elect an NDP government. They wanted a change, and that is exactly what we are doing. We are proceeding with caution on all fronts, recognizing that we are in the middle of the worst recession in recent history, to put together programs that are going to find solutions over the long term.

Kapuskasing has served as a model to other communities and other industries that are having difficulties. The government entered into a real partnership. We plan on changing things within the civil service as well, to make sure we have a more efficient government, much more efficient than what we were left with.

The Acting Speaker (Mr Farnan): Any comments or questions on the speech of the member for Cochrane South?

Interjections.

Mr Turnbull: If there is some agreement that we are not to make comments, I will withdraw.

The Acting Speaker: We are continuing the debate.

Mr Stockwell: There has been a lot of talk very recently with respect to the budget, the deficit and exactly the tax position the government is left with at this time.

I thought it was interesting that as recently as this weekend there was a report in the newspaper about this government examining methods by which it could dispose of government assets to raise capital to offset the deficit and debt. To me, it is a rather interesting approach this government uses so early in its mandate. I am not surprised they have requested the report and I am not shocked that these are the avenues they would propose to go down, considering the amount of money they spend. I am rather surprised that so early in their mandate, just over a year, they are already investigating methods by which they will have to sell off assets that this province has accrued over some 125 years so they can bring in a budget that does not

enter into double-digit deficit numbers. That double digit of course would be \$10 billion.

It is very concerning for me and I think for the people of this province for two reasons. Specifically, we are looking at a government that is prepared to take a lot of the items, a lot of the issues it was investigating, all these jewels we have acquired over the years and in some cases in the Metropolitan Toronto area—I think Ontario Place was mentioned in that report—and examine whether or not it would want to sell them to cover up for its shoddy, shortsighted, mismanaged ability to handle the finances of this great province.

The Acting Speaker: If I may interrupt the member for a moment please, not to make any comment on the member's remarks, but it would be helpful if you could link them to the topic we are debating this afternoon which is Bill 83, An Act to amend the Income Tax Act. If you could make reference to the act every so often it would be helpful.

Mr Stockwell: Yes sir, I appreciate that. I apologize. I digressed. I will try to tie it back in the same vein.

What this government is doing, in my opinion, is investigating and implementing through this piece of legislation taxes and methods by which it can cover up what I consider to be a rather shortsighted, mismanaged approach to financing in this great province.

I also believe fundamentally that this government is totally out of touch with the needs and concerns of the average citizen in this province. They make many grandiose boasts about being in touch with those people in need. I am not suggesting that we all understand the people who are in need, the concerns and difficulties they are facing with the economy as it is today, but may I suggest that there are a great number of people out there who are just getting up to go to work, coming home from work, trying to make a living, paying their mortgage or their rent and raising their children. They are finding it very difficult to do those things under this particular government.

1640

It is becoming more and more onerous to make ends meet or find enough money to survive when government upon government—and not just this government but all levels of government—tax them to the poorhouse. Some people have suggested that is exactly what this government would like to see, everybody at the poorhouse, and then it could potentially corner the market on votes because it would offer the most benefits if one were there.

I do not think that is a proper approach. I often hear from this government about its understanding of the business community, understanding of the taxes levied and understanding of exactly what the people of this province face every day when it comes to surviving in this kind of economy.

I said this in the first session and I will say it again this session: I do not honestly believe the government has a fundamental grounding in business decision-making, and it is becoming more and more apparent every passing day that this government sits in this House.

We are seeing jobs evaporate. Some 200,000 or 300,000 jobs have evaporated from this province under this government. They are talking about the creation of jobs; I do not see it. I do not see a huge job creation taking place in this province. They talk about being fiscally responsible and dealing with the fiscal realities of the electorate today. Frankly, I do not see that. I say to my friends across the floor in direction to this new tax the government is recommending for approval today that I do not hear any one out there in the communities that I visit who honestly believe the government is doing what is best for the taxpayers in Ontario.

In fact, by deficit financing the government is incurring taxes. By increasing spending the government is incurring taxes. By the legislative proposals it is making today under the labour act, etc, the government is driving businesses out of this province, and by some of the other programs the government initiated, such as the Power Corporation Amendment Act, the government is trying to change the history of that organization so that it may implement government policy on the social services side.

There is much concern out there from the electorate about whether or not this government truly understands the business community, truly understands the economic roles we are faced with and truly understands the average taxpayers who simply go to work every day and try to raise their families, pay their rents or pay their mortgages every month or week, whenever it comes due.

I am becoming more and more concerned and obviously more and more in agreement with the electorate that this government is totally out of touch when it comes to the introduction of tax measures, deficit financing and the sorry state of affairs this weekend about the government examining whether or not to sell off assets of this province to cover the debt it has driven up through mismanagement. Fiscally, they are irresponsible.

I offer some words of wisdom to this collection of advocates and union organizers and so on and so forth. I offer a brief word of wisdom to them.

Mr Runciman: Socialist misfits.

Mr Stockwell: No, I did not say that.

I offer a brief word of warning to them. If they do not change their tack very shortly and realize the hardship they are putting average Ontarians under, the hardship they are putting business under—big, small, middle-sized—they are going to find themselves in a matter of three or four years governing nothing. They are going to govern social service payments, they are going to govern processes by the way money flows out, but they are going to be governing nothing when it comes to inflow of capital, inflow of cash, taxes.

This bill is another example of the short-sighted, narrow-minded attitudes of a government that does not understand terms such as investment, entrepreneurs, private sector risk-takers.

Mr Runciman: Profit.

Mr Stockwell: Profit is another word they certainly do not understand.

Until they become a little more in tune with these types of people, they are going to continue to go down the same road. I think the person in charge of the small business community in this province—the name of the organization slips my mind right now but it is the independent small business group—referred to speaking with the members of this government as talking to trees. That was the analogy he made. It was like talking to trees because they simply did not want to hear what he had to say or they did not understand what he said.

Sometimes I think they do not want to hear what is being said, but I just believe in a lot of cases they really do not understand. I suppose they do not understand because the members come from backgrounds that consist of being an advocate or a union organizer—never having to meet a payroll, never having to pay taxes on a business and so on.

Interjections.

The Acting Speaker: Order. Will the member take his seat, please? We are being quite generous in allowing the member some degree of range of comment. I ask the member to speak to the topic and refer to the bill under discussion.

Mr Mammoliti: Why don't you mention Frank magazine as well?

Mr Stockwell: Frank magazine—

The Acting Speaker: Order. First, the member who has the floor will speak to the Chair and, second, there will be no interjections. I ask the member for Yorkview to refrain from such interjections.

Mr Stockwell: Relating it back to the piece of legislation at hand, I request that this government take a long, hard look at any new tax measures it brings forward; a long, hard look at any new taxes it plans on investigating, and a long, hard look at the spending side of this provincial government. I see across the floor a lot of concern and a lot of thought but very little substance, very little concrete information flowing from this government with respect to taxes and the burden it places on the people of this province.

In closing, I would like to think, now that we are into our second year under this government, that it would begin to realize that everyone in this province who is involved in small business, large business, middle-sized business, the private sector and the insurance industries cannot be wrong.

I saw them flip-flop pretty nicely on that and I am happy for them. I am glad they did. It is difficult, I am sure, to flip-flop publicly as obviously as that and maintain any sense of dignity, but they did.

I would think that they must look at what these people are saying to them. Business communities across this province are saying en masse, "You're going down the wrong road." Again, back to this tax bill, I do not think they all can be wrong. I do not think they all can have only their interests at heart. I do not think they are absolutely out of touch or way off base. They must have some sense of credibility. They must know from where they speak. They must understand the business community, the investment community, the tax situation, etc. If government members give them an opportunity to explain it to them, I think they will learn quite a bit, because what is becoming

very apparent—and I am closing—is that businesses are closing, jobs are being lost. There is very little, if any, job creation taking place by the government, and it is taking us down a road that has nothing but a rocky ending.

I thank members for their time. I am quite certain I have not swayed too many members opposite, because I think they would have to understand what I am saying before they could act on it. But I hope that someone across the floor would take an opportunity and meet with some of the business community, examine the requests that it is making and maybe give it an opportunity of implementing a few of its ideas so that we do not have constant job loss, so that we have no job creation and continue on down this road of tax and running up the debt. It is not healthy.

Mr Jamison: We have watched ourselves here today talk around the issues and about the deficit and about a number of things. I would like to point out today why these bills are important.

These budget bills are essential to implement the Treasurer's agenda and this government's agenda, as a matter of fact, as contained in the 1991 budget. The budget, as members are aware, is part of our government's commitment to bring Ontario out of the recession we are presently facing.

An earlier speaker spoke about the recession and talked about how in England, Europe and throughout most of the industrialized world there is a recession, but to listen to the opposition benches, we would think this was a recession designed by this government, implemented by this government and is going to be here as long as this government is in office. I simply have great difficulty in understanding the type of rhetoric that comes across the floor at certain times when certain bills are being debated.

1650

The failure to pass measures such as these bills in this session would undermine the Treasurer's plan and budget strategy, as well as increase the deficit. Furthermore, not only would the government not be able to collect the taxes generated by these bills; it could be challenged for collecting the tax without legal authority, including at least in one case the refunding of money already collected.

I understand that taxes are on the minds of the people of this province and of this country, but if one were to listen to the opposition one would sense that this country has learned a tremendous lesson about electing New Democrats. The present history reflects a different tone. We saw a majority New Democratic government elected in British Columbia just a few short days ago, and we expect to see a New Democratic majority government elected in Saskatchewan tonight.

We do not apologize for responding to the needs of the people of this province, who have been so hard hit, when it comes to the provincial budget. The deficit is one this government or any government could not avoid without tremendous—I have to emphasize "tremendous"—dislocation in this province, far beyond the dislocation that has taken place, and yet we hear time and again about having this government cut, slash, cut. The problem is that we do not see the same people on their feet telling us where they

would cut and by how much and who would be affected and who would do without.

Government deficits are sometimes—

The Acting Speaker: Order, please. I want to give the same direction I gave to the previous member, that it would be useful if the member who had the floor were to make reference occasionally to the bill under discussion. It may legitimize his argument.

Mr Jamison: Bill 83 is the bill we are discussing here today. I think it is very important to recognize that this bill is important to the future of this province. One might ask, what is the purpose of Bill 83? The purpose is that it increases the surtax on those paying over \$10,000 in Ontario tax, from 10% of the tax for 1990 to 12% for 1991 and 14% for 1992 and subsequent years.

Why does it need to be passed, one might ask? I would say part of the government budget policy announced in the Treasurer's budget of 1991 is to implement measures that are fairer. I believe this will happen as a result of the passage of Bill 83.

We have heard opposition members talk about deficits, and yet when we have a deficit and difficult times it is the responsibility of the Treasurer to look for funds to try to allow the Treasurer and the government the means to their ends. Government deficits are sometimes unavoidable, and this is one of those times.

Mr Tilson: On a point of order, Mr Speaker: I notice here are no representatives from the official opposition in the House. Is that proper procedure?

The Acting Speaker: It is not customary for members to comment on the presence or absence of other members in the Assembly. What is important is that there is a quorum in the House. If there is a quorum, the business of the House can then continue.

Mr Tilson: Mr Speaker, I was not asking about any specific members. I see one has returned, so I will drop it.

The Acting Speaker: The member may continue with his comments.

Mr Jamison: We are here to talk about Bill 83, and certainly many different areas have been covered today. When we talk about Bill 83 it is part of the provincial budget, and I know much talk has gone on here today about deficits. We plan to reduce the deficit as a percentage of the gross domestic product and balance the operating account by 1997.

The new spending talked about today is not excessive. It amounts to \$1.4 billion, not even a 3% increase over last year. Almost half of that went directly towards our \$700-million anti-recession program. When opposition members, especially the third party, talk about Bill 83 and about its being irresponsible, I ask them to reflect upon the taxation policies, the GST, that has a tremendous impact on small business. Small business is important in this province. It generates 75% of all the new jobs in this province at this time. Small business and the jobs related to it represent 34% of the jobs in this province.

The provincial budget also brings in new programs like the manufacturing recovery program—\$57 million to assist companies that are based here in Ontario.

The other thing is that we sometimes get browbeaten in here about trying to provide for people during tough times, but recent province-wide hearings of the standing committee on finance and economic affairs told me that this was not what we were finding. There was considerable support and admiration for a government that would respond in a different way from the federal government on the same basis.

Bill 83 will also result in an additional revenue of \$60 million in 1991-92 and \$90 million in a full year. At this point in time we would say that would help us with our economic agenda. In doing this, this government, which has as a priority the economic renewal of this province, needs and wants the support of business.

As I stand in this House and look at the opposition benches, the important thing to realize is that there is a certain degree of fear being generated from the opposition benches. As was said earlier on, this does little for the people of this province. It does little for promoting a business climate here that will provide jobs for those very people the opposition benches claim to represent.

Much of what is said in this House is self-serving, but Bill 83 is an integral part of this government's strategy.

I appreciate the time that has been given me to speak to this bill and I will be listening with interest to other speakers.

1700

Mr Runciman: I appreciate the view of the member for Norfolk, a member I like and respect, but I want to take issue with one of the things he made reference to in suggesting that the opposition parties are raising issues to create concern among the business community in this province.

We have seen, week after week and month after month, declarations from a variety of business organizations and the creation of new organizations, alliances of business people and ordinary men and women in this province who are very much concerned about what this government is doing, what it has done with respect to the deficit and what it contemplates doing with respect to labour law changes. Those are very real concerns out there. We in the opposition are not fabricating them. We are simply conveying in this House the concerns of the people we represent in this province and trying to get the message through to this government that what it is doing is, in the long haul, going to do significant damage to this province's economy.

In essence, I take issue with the member suggesting that we are raising these matters in the House purely for political reasons. Quite the contrary: We are raising them because those concerns are being expressed among the public of this province, especially among the job-creating members of the Ontario population.

Mr Bisson: It was interesting to listen to the member for Leeds-Grenville and his remarks on the comments made by our member.

The Acting Speaker (Mr Villeneuve): The comments are to be addressed to the honourable member for Norfolk's presentation.

Mr Bisson: That is what I am addressing. I agree totally with the points made by our member that the whole

question is that we need to have legislation and rules put in place in this province for all the people of the province and not strictly for an élite few, as the member for Leeds-Grenville admittedly said his party represents—his particular friends.

Mr Tilson: I have a few brief comments with respect to the member for Norfolk. He mentioned the issue of fear, that it is developing around this province. He is quite right: There is a genuine fear as to where this province is going. There are businesses going bankrupt and businesses leaving the country, all over the fiscal policies of this government. When you start getting deficits of \$10 billion that are going to continue rising—there is no sign this government is going to cut its programs. It is a spend, spend, spend type of government.

Mr Abel: People starve.

Mr Tilson: All right, we are into municipal elections around this province. We are hearing the concerns of tax coalitions throughout the various municipalities.

Mr Abel: You don't care if people starve.

Mr Tilson: Who cares? That is exactly the issue. The people on this side care. The people over there do not care one iota. That is the problem. This government does not care. The people who are running for office in municipal elections are concerned about the continuous increase of taxes on the property owners of this province, and they are concerned about the increase of taxes throughout the province. This government should take note of what is going around in the immediate elections and the fear that is in existence. There is a serious fear this province has gone into a recession that is going to continue farther than we had ever dreamed, all because of their policies.

Mr Mammoliti: I would like to commend—

Mr Tilson: Thank you.

Mr Mammoliti: No, not the member who just spoke; that is for sure. I would like to commend the member on this side who just finished an excellent and commanding speech.

I would like to address one area of his speech, an area that a lot of people in Canada are aware of, the fact that more and more provinces are looking to NDP governments. I am looking forward to tonight. I am looking forward to the next majority government in Saskatchewan. I for one know that people all over Canada are concerned, as the member for Dufferin-Peel is concerned. However, they are concerned for the average person, not for the rich.

The rich are important, let's face it. Without the rich, there would not be the jobs created, there would not be the businesses. That is so important. But the rich are not everything, I say to the member for Dufferin-Peel. He is concerned, I agree. He is concerned for only one thing, and that is to make the rich richer. He is not concerned about the average person. He is not concerned about the ratepayer out there. He is not concerned, surely, about the poor. He is concerned for only one thing, and that is to make the rich richer.

When the member talks about jobs, when he talks about this government and laying off people and about this

government being unfair with its policies, I can tell him one thing. The members on this side only care for the public in general, not for the rich. The member is for the rich. He wants the rich richer. I do not like that kind of attitude and neither do my colleagues.

The Acting Speaker: We now have had the maximum number of participants in questions and/or comments. The honourable member for Norfolk has two minutes to reply.

Mr Jamison: It is interesting that my time standing on my feet has caused so much concern here in the House, but I do believe what I have said is correct. I do not normally stand in the House and expound my views. I listen intently. I have listened over the past, and certainly the degree of co-operation in this House leaves something to be desired.

I have great difficulty when the small business concerns during a recession such as we have entered are heaped on this government. This type of rhetoric coming across the floor, even as it is now, really tends to make me concerned about how efficiently a House like this can work and operate. When the rhetoric is at such a stage that it infiltrates the media and gets small business people concerned to that degree, I have to say I wonder if the members on the opposite side of the House understand exactly what they are doing to this province.

I am concerned that no one on the other side of the House would mention some of the very regressive tax policies that are implemented, the value of the dollar, things like that, talk about what manufacturers are concerned about and about the things that are affecting us.

I heard an earlier speaker talk about interest rates coming down. That is very good. I think we can all appreciate that, but at the same time the dollar is going up. That is totally unreasonable and talks about federal policy and business's ability to do business.

Hon Ms Wark-Martyn: I want to thank all those who participated in the debate on this bill. Since a number of the members chose this opportunity to talk about the budget generally, I thought I might like to put on the record some of the comments ordinary citizens have made regarding the budget.

As members well know, the standing committee on finance and economic affairs spent the latter part of the summer listening to the views of individuals and groups about the budget. After months of media hysteria and criticism from members of the opposition, these citizens stood up and backed the government for the initiatives it introduced.

I well recall the hearings that were held in my own community; Thunder Bay was the first stop on the northern leg of the committee's travels. During the morning presentation, committee members got a chance to hear a total of 15 presenters. Only two expressed opposition to the government's budget. The rest endorsed it and thanked the government for backing the people of this province when they needed it most.

I recall hearing John Lorenowich, vice-president of IWA-Canada Local 2693 in Thunder Bay, saying, "We applaud you and thank you" for having compassion in the budget. Linda Gambee of the Lakehead Social Planning

Council had this to say: "The budget is a major step in the right direction.... It represents an investment in the people of Ontario to lay the groundwork for sustainable prosperity in the 1990s."

Two brothers travelled several hundred kilometres to represent the citizens of Atikokan. They gave a passionate presentation about how the policies of past governments had hurt their families and how they hoped our government would continue to help people out in these hard times.

1710

All over the province reaction was similar. In Sault Ste Marie, in Sudbury, in Windsor, in London and in Brantford presenters said the government had taken bold measures to end the recession and that the alternatives chosen by the federal and other provincial governments were unacceptable.

In Toronto, Dr Adam Linton of the Ontario Medical Association—

Mr Sterling: On a point of order, Mr Speaker: I wish the minister, if she would like to proceed in this debate, would stick to the principles of Bill 83.

The Acting Speaker: Thank you. It is not a point of order.

Hon Ms Wark-Martyn: In Toronto, Dr Adam Linton of the Ontario Medical Association congratulated the government for its commitment to health care.

Liz Barkley and Larry French of the Ontario Secondary School Teachers' Federation said:

"The Ontario government has chosen to maintain its investment in its institutions and its people.... The Ontario budget fights the recession and plants the seeds of Ontario's long-term recovery and renewed prosperity.... We are convinced that there will be broad public support for the enlightened direction taken in the budget."

What people want is politicians they can count on in good times and bad times. A professor at Queen's University, in talking about our budget, said this:

"One of the things that impressed me about Mr Laughren's budget was its honesty. He and his colleagues, by the way they have handled this budget, have restored some of my faith in politicians as persons whom you can actually trust to treat you as an intelligent human being and to tell the truth."

It is clear to me that the main concern of Ontarians who presented their views to the committee is creating and maintaining jobs, as well as improving the level of services the people of this province deserve. The reason so many people applauded the government was because our budget did precisely that.

As we begin the fall session there is very little debate on what is foremost on people's minds: jobs and taxes. But it is more complicated than just more jobs and fewer taxes. Ontarians have been deeply affected by the recession and they are looking to government to make a strong commitment to fighting the recession and providing leadership in the recovery. People also want more value for their money, better management of their tax dollars and less waste in government. People want a working relationship between government and business. They want government, labour,

business and the community to work together to co-operate on the major challenges of jobs and renewals.

People want straight talk, not the kind of rhetoric that is so often heard here. They want leadership, not finger-pointing. They want to know that their government has a focus and a plan and they want a government that is committed to and capable of acting to move this province forward out of the recession.

Our government's 1991 budget fights the recession and protects working people and their families. Our government's anti-recession program has created thousands of jobs in 1990 and 1991 through projects to maintain and improve public facilities like schools, hospitals, colleges and universities. Ten thousand new non-profit and co-operative housing units will be built, adding to the supply of affordable housing and creating much-needed jobs in the hard-hit construction industry. Our government's budget provides \$97 million for financial support for farmers, including \$590 million in interest rate relief.

When we came into government we discovered, as everyone knows, that the budgetary surplus confidently predicted by the previous government was in fact a \$2.5-billion deficit. Since then, facing the worst recession in 50 years, we have made tough choices while managing taxpayers' money carefully. We have maintained our universal health care system while moving to contain spiralling costs. We have not let the province's share of education funding decline. We decided to maintain and create some 70,000 jobs, instead of causing layoffs. Our budget will allow us to take maximum advantage of the economic recovery.

There has been criticism of the budget, to be sure, but there are many, as I said earlier, who believe we did the right thing. Just ask working men and women and their families.

Some people say we should have cut costs to prevent the deficit from rising. That might have scored some points with some, but what would have happened if we had slashed costs? It would have cost many thousands of people their jobs. It would have reduced services such as health care, education and social assistance at a time when they are already hurting. It would have also weakened consumer confidence, because when people do not have jobs they cannot buy things. It would have meant less help for laid-off workers. It would have meant fewer opportunities for our young people. It would have made it more difficult for working families to find quality child care. In short, slashing would have ultimately been bad economics because it would have hurt the majority of people in this province. This majority, I would add, does much of the productive labour in this province which produces wealth.

Let me conclude my remarks by putting on the record the words of another presenter at the budget hearings this summer. Paul Born, who is the executive director of the Community Opportunities Development Association of Brantford, had this to say:

"I am not an economist and therefore cannot comment on the issues of spending cuts, transfer payments, tax increases and deficits. As an individual involved in community economic development, I can, though, comment on

the issues of vision and hope and their importance on the health of a community. I have already seen how the 1991 Ontario budget has fostered hope for many of the people we serve.”

Once again I would like to thank those here who have participated in this discussion and thank the honourable member for Nickel Belt for his 20 years in this Legislature and his ability to make such fine legislation.

The Acting Speaker: Ms Wark-Martyn has moved second reading of Bill 83.

All those in favour will please say “aye.”

All those opposed will please say “nay.”

In my opinion, the ayes have it.

Mr Turnbull: Mr Speaker, it has been agreed that the vote will be stacked for tomorrow.

The Acting Speaker: I have correspondence here signed by the chief government whip, Mrs Shirley Coppen, which reads as follows:

“Pursuant to standing order 27(g), I request that the vote on the motion by Ms Wark-Martyn for second reading of Bill 83, An Act to amend the Income Tax Act, be deferred until immediately following routine proceedings on Tuesday, October 22, 1991.”

Vote deferred.

Le vote est différé.

1720

TOBACCO TAX AMENDMENT ACT, 1991
LOI DE 1991
MODIFIANT LA LOI DE LA TAXE SUR LE TABAC

Ms Wark-Martyn moved second reading of Bill 84, An Act to amend the Tobacco Tax Act.

M^{me} Wark-Martyn propose la deuxième lecture du projet de loi 84, Loi portant modification de la Loi de la taxe sur le tabac.

Hon Ms Wark-Martyn: This bill, An Act to amend the Tobacco Tax Act, implements the proposals contained in the Treasurer’s budget of April 29, 1991, as well as related administrative changes. In addition to the increase of tax on cigarettes which came into force April 30, 1991, the amendments in this bill apply Charter of Rights protection for interjurisdictional transporters. The authority to detain transporters is amended to require that authorities have reasonable and probable grounds to suspect violation. This also applies to other vehicles such as trailers, vessels, rail equipment and aircraft when used to transport tobacco products.

The amendments will make directors of a corporation who are Ontario tax collectors jointly and severely liable for uncollected tobacco tax or tax collected but not paid by the corporation, subject to a due-diligence test.

Regulation-making powers will be broadened to include cut tobacco in Ontario’s exempt tobacco control system.

The changes in Bill 84 reflect responsible management and accountability in tax collection and a recognition of the rights of those who collect tobacco taxes on behalf of the government.

Mr Sterling: I had expected that members of all caucuses would fully participate in this, especially those members who represent tobacco-growing areas. I saw the member for Norfolk leave the Legislative chamber a few minutes ago, and I hope he returns so that he will support his party’s stance on this Tobacco Tax Amendment Act.

Mrs Y. O’Neill: I am certainly pleased—

Mr Bisson: On a point of order, Mr Speaker: I apologize to the member for Ottawa-Rideau, but I think the member from the Conservative caucus should understand the standing order not to comment on when people are not in the House. That is what the standing orders say. They are quite explicit.

The Acting Speaker: That is not a point of order, it is a point of view. It is appreciated, but it is not in order.

Mr Runciman: On a point of order, Mr Speaker: The member for Cochrane South’s rising and your not finding it as a point of order is quite appropriate, but I want to pose a question to you. Is there a dress code for the Legislature? If not, we should have one, and that question should be referred to the standing committee on the Legislative Assembly.

The Acting Speaker: It is not a point of order. The member for Ottawa-Rideau.

Mrs Y. O’Neill: I am pleased that the minister has confined her remarks to Bill 84 which she has introduced, because certainly as we finished up Bill 83 there was very little semblance of what we were discussing in her remarks.

The Acting Speaker: Further debate on Bill 84.

Mrs Y. O’Neill: I am pleased to rise today to comment on Bill 84, the Tobacco Tax Amendment Act, 1991. This bill provides the legislative authority to implement the proposals contained in the Treasurer’s budget of April 29, 1991, which took effect that very night at midnight. The tobacco tax rates were increased at that moment by 1.67 cents to 6.5 cents per cigarette and per gram of cut tobacco. This works out to about 33 cents on a pack of 20 cigarettes. The increase in tobacco taxes is projected to raise \$250 million in additional revenue per year, bringing the total raised by tax from tobacco to \$1.04 billion in annual revenue.

The Treasurer noted in his budget that tobacco-induced diseases cause 13,000 premature deaths each year in this province and that when combined with the three-cent-per-cigarette increase in federal tobacco tax, the additional provincial tax will result in a projected decline in tobacco consumption of 15%.

We all know the negative health aspects of tobacco and we all favour initiatives that will cause or promote a decline in the use of tobacco products, but this is not a dedicated tax. Bill 84 does not present a dedicated tax. The revenue engendered goes into the general revenue mix and not towards health care or education incentives, nor does it encourage, as has already been brought to the floor today, tobacco farmers and manufacturers to explore alternatives to tobacco production. This is not a dedicated tax. It is not

directed to education, health measures or the promotion of alternative industries.

The direct result of this legislation will be the loss of more jobs in this province in the tobacco industry, both in farming and in manufacturing. Need I remind anyone in this House that these are the very kinds of impacts the Treasurer and indeed the Minister of Revenue expounded on today, saying that this 1991 Ontario budget was dedicated to avoiding job losses. Bill 84 does not help that.

While in opposition, the NDP championed the cause of ridding Ontario of regressive taxation. I heard that over and over again in the three years from 1987 to 1990. Regressive taxes in all forms were going to be eliminated by the NDP government. Yet once again we see the imposition of another regressive tax measure. This tax will disproportionately impact low-income Ontarians who choose to smoke. To those of limited means, be they pensioners, single parents, the unemployed—and often smoking is one of their last activities—or whoever, the effective message here is that this government is wiser than the Ontarians it is here to serve and it is going to compel people to stop smoking by pricing this product beyond their ability to pay for it, indeed beyond their income. Of course, the higher the income, the higher the ability to pay and therefore the ability to choose. Is that fair, making choices for other people?

The NDP government seems to be using its power to tax to effectively convince Ontarians to make decisions regarding their consumption of products which this government believes they should make. We have seen this principle at work before, and I find it a disturbing principle indeed. I repeat: I find this is a disturbing principle, government making laws that affect choices people can make.

This tax increase unfortunately has already encouraged theft, often with violence, and has led to increased smuggling of untaxed cigarette and tobacco products. I am sure that each person in this House can give instances where variety stores that never used to have extraordinary security measures often have had mesh implanted in their windows and often have had the cigarette and tobacco products well placed so that people cannot even see them. It is becoming increasingly dangerous to work in a convenience store at night, as the tragedies we read about in our newspapers tell us, and indeed as my constituents with firsthand experience, and not very pleasant experience, have brought to my attention. The targets these people are often avoiding and where the thefts are occurring are cigarettes and cash.

The NDP has taken neither sufficient nor effective action to ensure that substantial revenue does not continue to be lost due to lack of enforcement of existing laws pertaining to cigarette smuggling and in my view is encouraging through its neglect the increasingly dangerous trade in illegal tobacco products. I hope that some of the clauses of this act will encourage further measures.

To battle increases in cigarette smuggling, the former Liberal government implemented a new policy of marking tobacco containers on which tax has been paid. I am sure we are all familiar with that.

Mr Grandmaitre: That was a great idea, too.

Mrs Y. O'Neill: It was a very good idea.

The new marking regulations require a tape to be affixed to tobacco packages indicating the taxes have already been levied on the product. Retail compliance with marking regulations was to be in full effect by November 1990. We are almost one year farther along in the calendar and those marking regulations are certainly not enforced to their fullest. The Ontario Ministry of Revenue's estimate of marking costs for manufacturers is in excess of \$10 million. However, according to consulting company inquiries, there is little indication that the Ministry of Revenue has made significant attempts to enforce the marking programs, which need to be enforced through increased inspections.

1730

As of March 18, 1991, no charges had been laid under the new marking programs. A Toronto Star investigation published in a series of articles at that time showed that unmarked, untaxed cigarettes were easily purchased within blocks of Queen's Park, in a number of Metropolitan Toronto variety stores, bars and restaurants we can all walk to.

By looking at data available from various sources, we can come to some approximation of the amount of revenue lost to the Ontario Treasury. The forensic and investigative accounting departments of Peat Marwick Thorne estimate total annual federal revenue lost from untaxed, smuggled tobacco products to be \$350 million, representing over 12 million cartons. Based on population, it is reasonable to assume that Ontario would have at least a 40% share of smuggled cartons, or at least five million cartons.

The provincial tax on cigarettes per carton, including PST, is approximately \$13. The federal tax on cigarettes per carton, including GST, is \$18.08. Therefore, based on the Peat Marwick Thorne estimate of five million cartons, we can assume that Ontario suffers \$65 million annually in lost provincial revenue, almost double what was given to the farmers. The lost federal revenue is \$90.4 million, for a total estimated federal and provincial tax loss due to enforcement of \$155.4 million.

These are modest estimates of revenue losses. Some have put the revenue losses for this province alone at as high as \$80 million. This means the sought-after reductions in tobacco use are not always—in fact not often—realized by the government tax initiatives. Revenue losses of this magnitude would contribute to the loss, or at least the delay, of much-needed health care and education programs to combat the negative impact of tobacco use. Revenue losses could be used constructively if enforcement were in existence.

I ask the minister to provide this House with the following information concerning the smuggling of tobacco products; I will be sending a request to this effect. I would like the Ministry of Revenue's estimates of lost revenue due to cigarette smuggling and the base data on which these estimates were made. I would like to know whether there have been charges laid with respect to the sale of unmarked cigarettes in the province this year. My facts and figures, the last available data I could obtain, bring me up to the end of March 1991. I would like to know whether

the ministry is implementing any new inspection and enforcement measures to put teeth into the marking regulations.

Every member of this assembly knows and understands that the lower price of tobacco products in the United States is one of the major contributors, along with cheaper gasoline and other commodities, that encourages Ontario shoppers to cross the Canada-US border to do their shopping on a weekly, if not daily, basis. As we all know, this compounded phenomenon is inflicting incalculable harm on border communities right across this province.

Tobacco is one of the products consistently named in study after study of cross-border shopping and cited by mayor after mayor as they come to Queen's Park and meet us in their own constituencies. These mayors know that the tobacco and gas taxes encourage people to cross the border to do their shopping. Mayors and community groups all across this province have begged this government—I repeat, begged this government—time and time again for some kind of assistance against this growing problem which is devastating the economies of our border communities. Yet we get the Minister of Revenue standing in this House today and saying that the 1991 Ontario budget avoids finger-pointing.

Every time this subject is brought to the floor of this Legislature, all the Minister of Revenue and the Treasurer, and in fact most of the ministers, do is point to the federal government, day after day, time after time, no matter what issue we bring up with regard to fiscal policy. The minister has refused to listen to the pleas for help from these border communities. She has refused this for over one year. There has been not one encouragement, other than a so-called summit in July, the results of which have been totally unproductive.

Now, with the budget bills and the tax policies of the NDP, she is making the cross-border shopping incentive greater, yet at the same time not even thinking of balancing them by introducing any creative, revenue-based incentives to border communities. They have given many suggestions, such as graduated taxes on gasoline and certainly no more levying of taxes on tobacco, but these claims and cries for help go totally unanswered.

The budgetary policy of this government could hardly have been more damaging to the border retailers, yet this government and this minister have done nothing—I repeat, nothing—to help the situation. All they have been capable of so far is pointing, and they have been here more than a year. The message has continued to be consistent and constant. They do not yet hear the message. No one is arguing that this is not a complex issue. We all agree that there have been any number of contributing factors, but we must recognize that the retailers who are asking for assistance, and the mayors who represent them, are Ontario retailers and that regardless of who is to blame, the Ontario government has a responsibility to do something, to do what it can.

The NDP often says, "We're doing the best we can." Well, nothing cannot be "the best we can" in 1991. We are continuing to burden the retailers. Retailers happen to be employers and the employment sector in the retail industry of this province is certainly suffering. Instead of listening

to the mayors and the retailers who speak on behalf of these very threatened communities, we have a situation being made worse. Ontario retailers feel betrayed by this government, and rightly so.

Certainly the revenues coming from the retail sector of this province prove that the retail industry is suffering. Less than halfway into the budget, before the second-quarter report, which we still have not received, we have had major budget changes. The revenue figures we were presented with in April 1991 are not going to pan out. The insecurity of the business community that follows from measures such as Bill 84 has to do with consumer confidence.

I would like to ask the minister whether her ministry has any information on how the tobacco tax increase is going to affect the cross-border shopping communities. No mention comes from the government on any of these issues. What specific impact studies were done before this damaging tax increase and the others that will follow in Bills 85 and 86 were put into the 1991 budget? Finally, is her ministry working on any concrete initiatives? Communities across this province have begun to work on initiatives of their own without any assistance from this government. Is this minister aware of those initiatives? Is she willing to help any of those communities? I do not see that.

Bill 84 is another tax grab by a government having trouble managing. The desired perception, that this government is attempting to assist the antismoking campaign with Bill 84, is nothing but perception. It is certainly not reality. It is a non-dedicated tax with money going into the general revenue fund. Bill 84 is the desperate tax grab of a floundering government for more revenue for the consolidated revenue fund, which I do not consider is being managed efficiently or effectively, and I know I have many who agree with me on that matter.

With that rather sad comment, I close for the moment.

1740

Hon Ms Wark-Martyn: I would like to inform the member for Ottawa-Rideau about the shopping summit that was held last summer. There were some positive things that came out, although sometimes it is hard for opposition members to see the positive things we are doing as a government.

The community assistance fund was created. I myself am active on the community assistance committee that was formed in my community of Thunder Bay. They have been doing some marvelous things. The government, through the Ministry of Industry, Trade and Technology, has put \$5 million towards that fund to go to communities that have worked out different ways of increasing shopping in their own communities to decrease cross-border shopping.

I would also like to inform the member across the House about the tobacco marking system. The tobacco inspection program began in March 1991. Since that time, March to September 1991, 5,266 retail tobacco outlets have been inspected by ministry inspectors. Of these, 4,953 retailers were found to be fully compliant; 288 retailers were found to have a small quantity of unmarked cigarettes which they were ordered to remove; another 25

had slightly larger quantities of unmarked cigarettes on which a penalty assessment three times that of the tax value was issued.

Mrs Y. O'Neill: I thank the minister for updating me on the data of the marking inspection. I hope that inspection will continue because, as I say, there are many infractions almost within sight of this building and they have been brought to my attention by several people.

I would like to speak for a second to the community assistance fund, because I know the \$5-million fund is in existence. Five million dollars is not very much to be spread over 14 very struggling communities, but it is there. I found it less than helpful last week when the member for Niagara Falls asked a question of the minister about the criteria for such assistance funds, who would make the decision and how the criteria would be developed. I have read and re-read, three times actually, the answers in Hansard on that matter. I can figure out nothing that is the least bit helpful to the communities.

I know there is good work going on in the communities, but unless the Minister of Industry, Trade and Technology comes forward and is specific, it is going to be less than helpful to the communities to know whether they qualify. I do not think any of the \$5 million has been dispensed or disbursed into those communities yet, and we are now in year two of this government. We have known this was a problem since day one. It really seems to me it should be on the front burner and it should be accelerated, but I can find nothing at this point that leads me to believe that it is. I hope if there is up-to-date information on that program as well, I will be able to have it or there will be a statement from the minister on that in the House.

Mr Tilson: The subject and the intent of Bill 84 is of great interest to all of us as to exactly why Bill 84 is being passed. I think the people of Ontario have become very cynical on certain other taxes. I am thinking specifically of the tire tax. We have not seen evidence that any of the \$5 raised through the tire tax goes towards the environment and the disposing of tires.

We ask the same question with respect to Bill 84. Bill 84 was introduced at the time of the budget and will take effect as of April 30, 1991. Is the purpose of Bill 84 to raise income, to produce revenue for the government for the many programs it is imposing on the people of this province? Is it a health policy? Is it being introduced to reduce smoking? Is it a type of prohibition law that says, "Thou shalt not smoke, so therefore we'll tax the industry to death"? Is it a piece of legislation that is going to affect the farming industry, particularly the area with respect to one of the earlier speakers this afternoon, the area of Norfolk or Delhi or Tillsonburg or places like that where the entire community is based on the tobacco industry from start to finish?

I look forward to hearing the minister speak on that subject, as to why this tax is being implemented, why this tax is being put forward. If it is simply to raise money for the very expensive programs this government is going to put forward, then we need to know what else it is going to do—what it is going to do for what appears to be the

health policy of this government, to address the effects of this tax on the tobacco industry and indeed on the subject of cross-border shopping. All those areas need to be addressed, and I look forward to hearing from the minister and other members of the government speaking on those subjects.

As we have indicated, Bill 84 implements the tobacco tax increases that were proposed in the 1991 budget to increase the tax on cigarettes from \$1.67 to \$6.50 per gram and to increase the tax on cut tobacco by \$1.67 per gram to \$6.50 per gram. The bill also makes a number of changes to the exercise of the authority, which has been indicated by the previous speaker, to stop vehicles transporting cigarettes in bulk, inconsistent with the protection afforded under the Canadian Charter of Rights and Freedoms.

One of the things we have been hearing about since the budget discussions in the spring is the tremendous amount of illegal contraband, specifically cigarettes and alcohol, that is being brought into this country from the United States. The cost differential is unbelievable. We hear of people bringing it into the country privately. We hear of truckers coming in and selling it at warehouses and firms around this province, literally selling illegal contraband.

Section 3 of the bill provides that where an official authorized by the minister has reasonable and probable grounds to believe that an interjurisdictional transporter is without a registration certificate or is working for an importer or exporter or does not have the proper registration certificate issued pursuant to the act, the official may, without warrant, stop and detain any vehicle operated in Ontario by the interjurisdictional transporter and demand the production of the requisite documents.

Those are very fine words, but they are not going to do anything to stop what in fact this government has created; that is, a prohibition period of time with respect to cigarettes. People are continuing to smoke cigarettes in this province notwithstanding the great discussion of how it affects our health, how it creates cancer, all that type of very important discussion.

The fact of the matter is that this type of activity is going on in Ontario and it has been caused, I would submit, by Bill 84. Its cause is the subsequent bills that are being discussed with respect to alcohol. The question is, when the government realizes that this is taking place—we have seen how it is taking place—are there going to be any amendments put forward to this bill to stop that sort of thing, or knowing that it is causing an effect on cross-border shopping, what is it going to do to the border towns? This is one little item.

1750

Whether you are in favour of smoking or whether you are opposed to smoking really is irrelevant. The fact is that there is now evidence, because we have seen the evidence of what is going on, that this type of legislation is affecting the whole cross-border shopping and the economies of our border towns. I look forward to hearing comments from the government and the minister as to how they intend to deal with this problem they have created.

The bill will also add a new section to the act that subject to a due diligence test, will make corporation directors

jointly and severally liable, "If a corporation has failed to collect tax or has collected tax and failed to remit the tax or has failed to pay any interest or penalty" related to a failure to collect and remit. That is very fine. All the legalese being put into this legislation is very fine, and simply, I submit, is to raise revenue for the very expensive programs this government has implemented before and after the introduction of the budget in the spring.

This government is going to have to deal with these other problems, is going to have to deal with the collapse of the tobacco industry. We had last week several motions put forward by this party, the Progressive Conservative Party, in an emergency debate on what we are going to do for the farmers of this province. Believe it or not, the tobacco industry is a part of the farming industry, yet this bill is going to have a major detrimental effect on that industry. What is the government going to do about it? People are going out of business.

There is no question that our party has called for a portion of the proceeds from the tobacco tax to be dedicated to alternative crop programs for farmers, retraining programs for workers involved in the manufacture of tobacco and assistance programs for communities dependent on the tobacco industry.

I do not profess to be an expert on agriculture, but it would appear that many of the members of the government are not either. There is no question that changing the farming industry in tobacco into corn or something like that—I have heard that come forward, "Well, we'll just get out of tobacco and get into corn." It just cannot be done that simply. I think before they start putting industries like the tobacco industry out of business—that is exactly what this bill is going to do—they should realize the effect it is going to have on a large number of citizens of Ontario. I am looking specifically at the southwestern section of this province. I do not think they have done that, and I would like to know from the minister what type of impact study she has done with respect to the effect on the farmer of southwestern Ontario, particularly the farming industry.

If it is simply a matter of: "Where are we going to get revenue? We'll get it from booze and cigarettes." That is a standard line. To be fair to the government, it is being used across this country. In 1991, the Quebec budget increased the province's tobacco tax by one cent per cigarette, from 4.76 cents per cigarette to 5.76 cents, and provided for another increase to 6.88 cents per cigarette that is going to be effective January 1, 1992. The Quebec government estimates these increases will boost its revenues by \$94 million this fiscal year, by \$100 million next year and by \$103 million in 1993-94. In Prince Edward Island, the 1991 budget added an additional two cents per cigarette to the provincial tax, putting it up to nine cents per cigarette. This will raise additional revenue of \$26 million this year.

We are talking about a substantial amount of revenue this government is going to have. Where is it going to go? Is it going to help the tobacco farmers in southwestern Ontario, the very people this bill is putting out of operation? What is it going to do for health policy, when statistic after statistic is being put forward on the effects of cigarettes on our health and the whole subject of cancer?

The Newfoundland government increased its tobacco tax by 1.5 cents per cigarette and by one cent per gram of tobacco. What this government is doing is not unusual. The Alberta government inflated its bite on a pack of 25 cigarettes from \$1.40 to \$1.75, which would increase its coffers by an estimated \$41 million. I could proceed with other provinces. So what is being done is not unusual.

Because everybody else does it, surely there is some rationale. Is it simply another, to use the word that was used by the previous speaker, tax grab? Is that all it is, or is the government generally thinking out what the effect of the bill is going to be, the effect on the farmer in southwestern Ontario? What is the government going to do? What is it going to do about the increasing number of young people who are smoking cigarettes? What is the government going to do about the effect on the health of the young people of this province when we have statistic after statistic that cancer is caused by smoking, to say nothing of the smoke that surrounds the people who do not smoke and the effect it has on them?

Municipalities are passing bylaws saying that you cannot smoke in certain sections of restaurants and indeed that may be increased to the entire restaurant. This building is surrounded by people who have moved outside the building to smoke in the snow and the rain.

Mr Mills: Disgraceful.

Mr Tilson: Well, it is disgusting, but the problem is we have a health problem and we have a social problem. Is the way to solve it simply taxing it? Is that what the government is going to do?

I would hope that this government would take a long, hard look at what it is going to do in those specific areas. Are there going to be funds that are raised from the tremendous amount of revenue that is obtained from this bill to assist the border towns? The border towns, the retailers and the people in the communities certainly are not all now falling apart simply because of this bill, but it is a piece that is being added by this government. Bill 84 is typical of the problem that is adding to cross-border shopping.

The word "cigarettes" is continually mentioned. People from the United States, from outside this country, from England, who come over here and find out the cost of cigarettes in this province, as opposed to where they come from, are absolutely shocked.

If the government is saying it is a health problem, then deal with it as a health problem. Do not tax the business. Do not do it that way. That is creating a prohibition and we all know what prohibition did.

What funds are going to be put forward from this government with respect to research? There is no question that funds are put forward. The cancer societies spend vast amounts of sums on that, but what sums are going to be put forward?

There is no question we get into the whole area of cancer. Some people are more vulnerable to particular diseases, such as cancer, than others. Is this government addressing that problem? No. It is just taxing the tobacco industry out of business. That is all it is doing.

Disease is being seen more and more as the interaction of the physical and social environments, such as general and specific pollutants such as smoking and the individual environment, whether it is genetic vulnerability or life-style, all of that complicated aspect which has been dealt with by research and medical people who have talked about the whole effects of smoking.

Smoking is hazardous to health. Then, again, what are we going to do about it? The government's answer appears to be to tax this industry to death.

I have asked a number of questions of this government and I believe they are sound questions. I hope this government will listen to them and spend some time dealing with how it is going to solve the problems the bill has created.

The House adjourned at 1800.

ERRATUM

The date on the front cover of issue 70 1991 should have read:

Thursday 17 October 1991

Le jeudi 17 octobre 1991

**LEGISLATIVE ASSEMBLY OF ONTARIO
ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO**

Lieutenant Governor/Lieutenant-gouverneur: Hon/L'hon Lincoln M. Alexander, PC, QC/CP, CR

Speaker/Président: Hon/L'hon David Warner

Clerk/Greffier: Claude L. DesRosiers

Clerk Assistant and Clerk of Committees/Greffier adjoint et Greffier des comités: Smirle Forsyth

Clerk Assistant and Clerk of Journals/Greffier adjoint et Greffier des journaux: Alex D. McFedries

Sergeant at Arms/Sergent d'armes: Thomas Stelling

Abel, Donald (Wentworth North/-Nord PC) government whip/Whip du gouvernement

Akande, Zanana (St Andrew-St Patrick ND)

Allen, Hon/L'hon Richard (Hamilton West/-Ouest ND)
Minister of Colleges and Universities, Minister of Skills Development/Ministre des Collèges et Universités, ministre de la Formation professionnelle

Arnott, Ted (Wellington PC)

Beer, Charles (York North/-Nord L)

Bisson, Gilles (Cochrane South/-Sud ND) PA to Minister of Northern Development and Mines, PA to minister responsible for francophone affairs, Vice-Chair, select committee on Ontario in Confederation/
Ap du ministre du Développement du Nord et des Mines, ap du ministre délégué aux Affaires francophones, vice-président du Comité spécial sur le rôle de l'Ontario au sein de la Confédération

Boyd, Hon/L'hon Marion (London Centre/-Centre ND)
Minister of Community and Social Services, minister responsible for women's issues/Ministre des Services sociaux et communautaires, ministre déléguée à la Condition féminine

Bradley, James J. (St Catharines L) opposition House leader/
Chef parlementaire de l'opposition

Brown, Michael A. (Algoma-Manitoulin L) Vice-Chair, standing committee on general government/Vice-Président du Comité permanent des affaires gouvernementales

Buchanan, Hon/L'hon Elmer (Hastings-Peterborough ND)
Minister of Agriculture and Food/Ministre de l'Agriculture et de l'Alimentation

Callahan, Robert V. (Brampton South/-Sud L) Chair, standing committee on public accounts/Président du Comité permanent des comptes publics

Caplan, Elinor (Oriole L) Chair, standing committee on social development/Présidente du Comité permanent des affaires sociales

Carr, Gary (Oakville South/-Sud PC)

Carter, Jenny (Peterborough ND) PA to Minister of Citizenship, responsible for human rights, disability issues, seniors' issues and race relations/Ap de la ministre des Affaires civiques, déléguée aux Droits de la personne, aux Affaires des personnes handicapées, aux Affaires des personnes âgées et aux Relations interraciales

Charlton, Hon/L'hon Brian (Hamilton Mountain ND)
Minister of Financial Institutions/Ministre des Institutions financières

Chiarelli, Robert (Ottawa West/-Ouest L)

Christopherson, David (Hamilton Centre/-Centre ND)
PA to Treasurer of Ontario and Minister of Economics/
Ap du Trésorier de l'Ontario et du ministre de l'Économie

Churley, Hon/L'hon Marilyn (Riverdale ND) Minister of Consumer and Commercial Relations/Ministre de la Consommation et du Commerce

Cleary, John C. (Cornwall L)

Conway, Sean G. (Renfrew North/-Nord L)

Cooke, Hon/L'hon David (Windsor-Riverside ND) Minister of Municipal Affairs, government House leader/
Ministre des Affaires municipales, chef parlementaire du gouvernement

Cooper, Mike (Kitchener-Wilmot ND) Chair, standing committee on administration of justice; deputy government whip/
Président du Comité permanent de l'administration de la justice, whip adjoint du gouvernement

Coppen, Hon/L'hon Shirley (Niagara South/-Sud ND)
Minister without Portfolio, chief government whip/
Ministre sans portefeuille, whip en chef du gouvernement

Cordiano, Joseph (Lawrence L) Vice-Chair, standing committee on social development/Vice-Président du Comité permanent des affaires sociales

Cousens, W. Donald (Markham PC)

Cunningham, Dianne (London North/-Nord PC) Progressive Conservative chief whip/Whip en chef du Parti progressiste-conservateur

Curling, Alvin (Scarborough North/-Nord L) opposition deputy whip/whip adjoint de l'opposition

Dadamo, George (Windsor-Sandwich ND) PA to Minister of Transportation/Ap du ministre des Transports

Daigeler, Hans (Nepean L)

Drainville, Dennis (Victoria-Haliburton ND) PA to Minister of Municipal Affairs; Chair, select committee on Ontario in Confederation/Ap du ministre des Affaires municipales, président du Comité spécial sur le rôle de l'Ontario au sein de la Confédération

Duignan, Noel (Halton North/-Nord ND) Chair, standing committee on the Legislative Assembly; Co-Chair, special committee on the parliamentary precinct/Président du Comité permanent de l'Assemblée législative, coprésident du Comité extraordinaire de l'enceinte parlementaire

Elston, Murray J. (Bruce L) Leader of the Official Opposition/
Chef de l'opposition officielle

Eves, Ernie (Parry Sound PC) Progressive Conservative House leader/Chef parlementaire du Parti progressiste-conservateur

Farnan, Mike (Cambridge ND) First Deputy Chair of the Committee of the Whole House/Premier vice-président du Comité plénier de l'Assemblée législative

Fawcett, Joan M. (Northumberland L)

Ferguson, Hon/L'hon Will (Kitchener ND) Minister of Energy/Ministre de l'Énergie

Fletcher, Derek (Guelph ND) PA to Minister of Consumer and Commercial Relations/Ap du ministre de la Consommation et du Commerce

Frankford, Robert (Scarborough East/-Est ND)

Gigantes, Hon/L'hon Evelyn (Ottawa Centre/-Centre ND)
Minister of Housing/Ministre du Logement

Grandmaître, Bernard C. (Ottawa East/-Est L)

Grier, Hon/L'hon Ruth A. (Etobicoke-Lakeshore ND)
Minister of the Environment, minister responsible for the greater Toronto area/Ministre de l'Environnement, ministre responsable du Bureau de la région du grand Toronto

- Haeck, Christel (St. Catharines-Brock ND)
- Hampton, Hon/L'hon Howard** (Rainy River ND) Attorney General/Procureur général
- Hansen, Ron (Lincoln ND) Chair, standing committee on finance and economic affairs/Président du Comité permanent des finances et des affaires économiques
- Harnick, Charles (Willowdale PC)
- Harrington, Margaret H. (Niagara Falls ND) PA to Minister of Housing/Ap du ministre du Logement
- Harris, Michael (Nipissing PC) leader of the Progressive Conservative Party/Chef du Parti progressiste-conservateur
- Haslam, Hon/L'hon Karen** (Perth ND) Minister of Culture and Communications/Ministre de la Culture et des Communications
- Hayes, Pat (Essex-Kent ND) PA to Minister of Agriculture and Food (agriculture)/Ap du ministre de l'Agriculture et de l'Alimentation (agriculture)
- Henderson, D. James (Etobicoke-Humber L)
- Hope, Randy R. (Chatham-Kent ND) PA to Minister of Community and Social Services/Ap du ministre des Services sociaux et communautaires
- Huget, Bob (Sarnia ND) PA to Minister of Energy/Ap du ministre de l'Énergie
- Jackson, Cameron (Burlington South/-Sud PC) Chair, standing committee on estimates/Président du Comité permanent des budgets des dépenses
- Jamison, Norm (Norfolk ND) PA to Minister of Industry, Trade and Technology, responsible for small business/Ap du ministre de l'Industrie, du Commerce et de la Technologie, délégué aux Affaires des petites entreprises
- Johnson, Paul R. (Prince Edward-Lennox-South Hastings/Prince-Edward-Lennox-Hastings-Sud ND) PA to Minister of Revenue/Ap du ministre du Revenu
- Jordan, W. Leo (Lanark-Renfrew PC)
- Klopp, Paul (Huron ND) PA to Minister of Agriculture and Food (food)/Ap du ministre de l'Agriculture et de l'Alimentation (alimentation)
- Kormos, Peter (Welland-Thorold ND) Chair, standing committee on resources development/Président du Comité permanent du développement des ressources
- Kwinter, Monte (Wilson Heights L)
- Lankin, Hon/L'hon Frances** (Beaches-Woodbine ND) Minister of Health, minister responsible for the provincial anti-drug strategy/Ministre de la Santé, ministre déléguée à la Stratégie antidrogue provinciale
- Laughren, Hon/L'hon Floyd** (Nickel Belt ND) Deputy Premier, Treasurer of Ontario and Minister of Economics/Vice-premier ministre, Trésorier de l'Ontario et ministre de l'Économie
- Lessard, Wayne (Windsor-Walkerville ND) PA to Minister of Colleges and Universities/Ap du ministre des Collèges et Universités
- Mackenzie, Hon/L'hon Bob** (Hamilton East/-Est ND) Minister of Labour/Ministre du Travail
- MacKinnon, Ellen (Lambton ND) Vice-Chair, standing committee on regulations and private bills/Vice-Présidente du Comité permanent des règlements et projets de loi privés
- Mahoney, Steven W. (Mississauga West/-Ouest L) chief opposition whip/Whip en chef de l'opposition
- Malkowski, Gary (York East/-Est ND) PA to Minister of Citizenship, responsible for human rights, disability issues, seniors' issues and race relations/Ap de la ministre des Affaires civiques, déléguée aux Droits de la personne, aux Affaires des personnes handicapées, aux Affaires des personnes âgées et aux Relations interraciales
- Mammoliti, George (Yorkview ND) PA to minister responsible for the provincial anti-drug strategy/Ap de la ministre déléguée à la Stratégie antidrogue provinciale
- Mancini, Remo (Essex South/-Sud L) Chair, standing committee on general government/Président du Comité permanent des affaires gouvernementales
- Marchese, Rosario (Fort York ND) PA to the Premier, PA to Minister of Intergovernmental Affairs/Ap du premier ministre, ap du ministre des Affaires intergouvernementales
- Marland, Margaret (Mississauga South/-Sud PC) Vice-Chair, standing committee on estimates/Vice-Présidente du Comité permanent des budgets des dépenses
- Martel, Hon/L'hon Shelley** (Sudbury East/-Est ND) Minister of Northern Development and Mines/Ministre du Développement du Nord et des Mines
- Martin, Tony (Sault Ste Marie/Sault-Sainte-Marie ND) PA to Minister of Education/Ap de la ministre de l'Éducation
- Mathysen, Irene (Middlesex ND) PA to Minister of the Environment, government whip/Ap de la ministre de l'Environnement, whip du gouvernement
- McClelland, Carman (Brampton North/-Nord L)
- McGuinty, Dalton J.P. (Ottawa South/-Sud L)
- McLean, Allan K. (Simcoe East/-Est PC) Vice-Chair, standing committee on government agencies/Vice-Président du Comité permanent des organismes gouvernementaux
- McLeod, Lyn (Fort William L)
- Miclash, Frank (Kenora L) opposition chief whip/Whip en chef de l'opposition
- Mills, Gord (Durham East/-Est ND) PA to Solicitor General/Ap du Solliciteur général
- Morin, Gilles E. (Carleton East/-Est L) Deputy Speaker and Chair of the Committee of the Whole House/Vice-Président et Président du Comité plénier de l'Assemblée législative
- Morrow, Mark (Wentworth East/-Est ND) Chair, standing committee on the Ombudsman; Vice-Chair, standing committee on administration of justice/Président du Comité permanent de l'ombudsman, vice-président du Comité permanent de l'administration de la justice
- Murdoch, Bill (Grey PC)
- Murdock, Sharon (Sudbury ND) PA to Minister of Labour/Ap du ministre du Travail
- North, Hon/L'hon Peter** (Elgin ND) Minister of Tourism and Recreation/Ministre du Tourisme et des Loisirs
- O'Connor, Lawrence (Durham-York ND) PA to minister responsible for the greater Toronto area/Ap de la ministre responsable du Bureau de la région du grand Toronto
- Offer, Steven (Mississauga North/-Nord L)
- O'Neil, Hugh P. (Quinte L)
- O'Neill, Yvonne (Ottawa-Rideau L) opposition deputy whip/Whip adjointe de l'opposition
- Owens, Stephen (Scarborough Centre/-Centre ND) PA to Minister of Financial Institutions, government whip/Ap du ministre des Institutions financières, whip du gouvernement
- Perruzza, Anthony (Downsview ND) PA to Minister for Skills Development/Ap du ministre de la Formation professionnelle
- Philip, Hon/L'hon Ed** (Etobicoke-Rexdale ND) Minister of Industry, Trade and Technology/Ministre de l'Industrie, du Commerce et de la Technologie

Phillips, Gerry (Scarborough-Agincourt L)
Pilkey, Hon/L'hon Allan (Oshawa ND) Solicitor General,
 Minister of Correctional Services/Solliciteur général,
 ministre des Services correctionnels
 Poirier, Jean (Prescott and Russell/Prescott et Russell L)
 Poole, Dianne (Eglinton L) Vice-Chair, standing committee on
 public accounts/Vice-Présidente du comité permanent des
 comptes publics
Pouliot, Hon/L'hon Gilles (Lake Nipigon/Lac-Nipigon ND)
 Minister of Transportation, minister responsible for
 francophone affairs/Ministre du Transport, ministre
 délégué aux Affaires francophones
Rae, Hon/L'hon Bob (York South/-Sud ND) Premier,
 Minister of Intergovernmental Affairs/Premier ministre,
 ministre des Affaires intergouvernementales
 Ramsay, David (Timiskaming L)
 Rizzo, Tony (Oakwood IND)
 Runciman, Robert W. (Leeds-Grenville PC) Chair, standing
 committee on government agencies/Président du Comité
 permanent des organismes gouvernementaux
 Ruprecht, Tony (Parkdale L)
 Scott, Ian G. (St. George-St. David L)
Silipo, Hon/L'hon Tony (Dovercourt ND) Chairman of the
 Management Board of Cabinet, Minister of
 Education/Président du Conseil de gestion du
 gouvernement, ministre de l'Éducation
 Sola, John (Mississauga East/-Est L)
 Sorbara, Gregory S. (York Centre/-Centre L)
 Sterling, Norman W. (Carleton PC)
 Stockwell, Chris (Etobicoke West/-Ouest PC)
 Sullivan, Barbara (Halton Centre/-Centre L)
 Sutherland, Kimble (Oxford ND) PA to Chairman of the
 Management Board of Cabinet; Vice-Chair, standing
 committee on finance and economic affairs/Ap du
 président du Conseil de gestion du gouvernement,
 vice-président du Comité permanent des finances et des
 affaires économiques
 Swarbrick, Anne (Scarborough West/-Ouest ND)
 Tilson, David (Dufferin-Peel PC)
 Turnbull, David (York Mills PC)
 Villeneuve, Noble (S-D-G & East Grenville/S.-D.-G. &
 Grenville-Est PC) Second Deputy Chair of the Committee
 of the Whole House/Deuxième vice-président du Comité
 plénier de l'Assemblée législative
 Ward, Brad (Brantford ND) PA to Minister of Industry, Trade
 and Technology with responsibility for trade and technology/
 Ap du ministre de l'Industrie, du Commerce et de la
 Technologie et délégué au Commerce et à la Technologie
 Ward, Margery (Don Mills ND) PA to Minister of Government
 Services/Ap du ministre des Services gouvernementaux
Wark-Martyn, Hon/L'hon Shelley (Port Arthur ND) Minister
 of Revenue/Ministre du Revenu
Warner, Hon/L'hon David (Scarborough-Ellesmere ND)
 Speaker; Co-Chair, special committee on the
 parliamentary precinct/Président, coprésident du Comité
 extraordinaire de l'enceinte parlementaire
 Waters, Daniel (Muskoka-Georgian Bay/Muskoka-Baie-
 Georgienne ND) PA to Minister of Tourism and Recreation;
 Vice-Chair, standing committee on resources development/
 Ap du ministre du Tourisme et des Loisirs, vice-président
 du Comité permanent du développement des ressources
 Wessinger, Paul (Simcoe Centre/-Centre ND) PA to Minister
 of Health/Ap de la ministre de la Santé
 White, Drummond (Durham Centre/-Centre ND) Chair,
 standing committee on regulations and private bills/
 Président du Comité permanent des règlements et projets
 de loi privés
Wildman, Hon/L'hon Bud (Algoma ND) Minister of Natural
 Resources, minister responsible for native affairs/Ministre
 des Ressources naturelles, ministre délégué aux Affaires
 autochtones
Wilson, Hon/L'hon Fred (Frontenac-Addington ND) Minister
 of Government Services/Ministre des Services
 gouvernementaux
 Wilson, Gary (Kingston and The Islands/Kingston et Les Îles ND)
 PA to Minister of Culture and Communications/
 Ap de la ministre de la Culture et des Communications
 Wilson, Jim (Simcoe West/-Ouest PC)
 Winninger, David (London South/-Sud ND) PA to Attorney
 General, PA to minister responsible for native affairs/Ap
 du Procureur général, ap du ministre délégué aux Affaires
 autochtones
 Wiseman, Jim (Durham West/Durham-Ouest ND) PA to
 Minister of Correctional Services/Ap du ministre des
 Services correctionnels
 Witmer, Elizabeth (Waterloo North/-Nord PC)
 Wood, Len (Cochrane North/-Nord ND) PA to Minister of
 Natural Resources/Ap du ministre des Ressources naturelles
Ziemba, Hon/L'hon Elaine (High Park-Swansea ND)
 Minister of Citizenship, minister responsible for human
 rights, disability issues, seniors' issues and race
 relations/Ministre des Affaires civiques, déléguée aux
 Droits de la personne, aux Affaires des personnes
 handicapées, aux Affaires des personnes âgées et aux
 Relations interraciales

**COMMITTEES OF THE LEGISLATIVE ASSEMBLY
COMITÉS DE L'ASSEMBLÉE LÉGISLATIVE**

STANDING COMMITTEES/COMITÉS PERMANENTS

Administration of justice/Administration de la justice

Chair/Président: Mike Cooper

Vice-Chair/Vice-Président: Mark Morrow

Members/Membres: Gary Carr, Jenny Carter, Robert Chiarelli, Derek Fletcher, Charles Harnick, Irene Mathysen, Gordon Mills, Jean Poirier, Gregory S. Sorbara, David Winninger

Clerk/Greffière: Lisa Freedman

Estimates/Budgets des dépenses

Chair/Président: Cameron Jackson

Vice-Chair/Vice-Présidente: Margaret Marland

Members/Membres: Gary Carr, Hans Daigeler, Mike Farnan, Paul R. Johnson, Wayne Lessard, Dalton McGuinty, Lyn McLeod, Lawrence O'Connor, Anthony Perruzza, Gary Wilson

Clerk/Greffier: Franco Carrozza

Finance and economic affairs/

Finance et affaires économiques

Chair/Président: Ron Hansen

Vice-Chair/Vice-Président: Kimble Sutherland

Members/Membres: David Christopherson, Norman Jamison, Monte Kwinter, Gerry Phillips, Norman W. Sterling, Chris Stockwell, Barbara Sullivan, Brad Ward, Margery Ward, Jim Wiseman

Clerk/Greffier: Todd Decker

General government/Affaires gouvernementales

Chair/Président: Remo Mancini

Vice-Chair/Vice-Président: Michael A. Brown

Members/Membres: Donald Abel, Gilles Bisson, Dennis Drainville, Margaret H. Harrington, George Mammoliti, Rosario Marchese, Bill Murdoch, Yvonne O'Neill, Ian G. Scott, David Turnbull

Clerk/Greffière: Deborah Deller

Government agencies/Organismes gouvernementaux

Chair/Président: Robert W. Runciman

Vice-Chair/Vice-Président: Allan K. McLean

Members/Membres: James J. Bradley, Jenny Carter, Robert Frankford, Bernard Grandmaître, Pat Hayes, Rosario Marchese, Dalton McGuinty, Chris Stockwell, Daniel Waters, Jim Wiseman

Clerk/Greffier: Douglas Arnott

Legislative Assembly/Assemblée législative

Chair/Président: Noel Duignan

Vice-Chair/Vice-Président: Vacant

Members/Membres: Mike Cooper, Robert Frankford, Norman Jamison, Margaret Marland, Irene Mathysen, Carman McClelland, Gilles E. Morin, Hugh P. O'Neil, Stephen Owens, Noble Villeneuve

Clerk/Greffier: Douglas Arnott

Ombudsman/Ombudsman

Chair/Président: Mark Morrow

Vice-Chair/Vice-Président: Vacant

Members/Membres: Alvin Curling, Joan M. Fawcett, Christel Haeck, D. James Henderson, Peter Kormos, George Mammoliti, Bill Murdoch, Margery Ward, Paul Wessinger, Jim Wilson, Elizabeth Witmer

Clerk/Greffier: Franco Carrozza

Public accounts/Comptes publics

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Vice-Chair/Vice-Présidente: Dianne Poole

Members/Membres: James J. Bradley, Sean G. Conway, W. Donald Cousens, Christel Haeck, Pat Hayes, Paul R. Johnson, Ellen MacKinnon, Lawrence O'Connor, David Tilson, Drummond White

Clerk/Greffière: Tannis Manikel

Regulations and private bills/

Règlements et projets de loi privés

Chair/Président: Drummond White

Vice-Chair/Vice-Présidente: Ellen MacKinnon

Members/Membres: Donald Abel, Mike Farnan, Derek Fletcher, Leo Jordan, Frank Miclash, Tony Ruprecht, John Sola, Kimble Sutherland, Jim Wilson

Clerk/Greffier: Todd Decker

Resources development/Développement des ressources

Chair/Président: Peter Kormos

Vice-Chair/Vice-Président: Daniel Waters

Members/Membres: Ted Arnott, John C. Cleary, George Dadamo, Bob Huget, Leo Jordan, Paul Klopp, Sharon Murdock, Steven Offer, David Ramsay, Len Wood

Clerk/Greffier: Harold Brown

Social development/Affaires sociales

Chair/Présidente: Elinor Caplan

Vice-Chair/Vice-Président: Joseph Cordiano

Members/Membres: Charles Beer, Christel Haeck, Randy R. Hope, Gary Malkowski, Tony Martin, Lyn McLeod, Stephen Owens, Paul Wessinger, Jim Wilson, Elizabeth Witmer

Clerk/Greffière: Lynn Mellor

SELECT COMMITTEE/COMITÉ SPÉCIAL

Ontario in Confederation/

Rôle de l'Ontario au sein de la Confédération

Chair/Président: Dennis Drainville

Vice-Chair/Vice-Président: Gilles Bisson

Members/Membres: Jenny Carter, Alvin Curling, Ernie Eves, Charles Harnick, Margaret H. Harrington, Gary Malkowski, Irene Mathysen, Steven Offer, Yvonne O'Neill, David Winninger

Clerk/Greffier: Harold Brown

SPECIAL COMMITTEE/COMITÉ EXTRAORDINAIRE

Parliamentary precinct/Enceinte parlementaire

Co-Chair/Coprésident: David Warner

Co-Chair/Coprésident: Noel Duignan

Members/Membres: Dianne Cunningham, Remo Mancini, Kimble Sutherland

Clerk/Greffier: Smirle Forsyth

CONTENTS

Monday 21 October 1991

Members' statements

Poaching	3015
Mr Brown	
Canadian Foster Family Week	3015
Mr Johnson	
Health services in Brampton	3015
Mr McClelland	
Water quality	3015
Mr Cousens	
Seniors Information Handbook	3016
Mr Malkowski	
New Enterprise Store	3016
Mr Bradley	
Affordable housing	3016
Mrs Marland	
Community services	3016
Mr Frankford	
Visitors	3017
The Speaker	
Legislative pages	3017
The Speaker	
Member's anniversary	3017
Mr Rae	
Mr Bradley	
Mr Sterling	
Mr Laughren	

Oral questions

Salary of Ontario Hydro chairman	3019
Mr Conway	
Mr Rae	
Police services	3020
Mr Sorbara	
Mr Pilkey	
Mr Curling	
Salary of police board appointee	3021
Mr Harris	
Mr Pilkey	
Workers' compensation	3022
Mr Harris	
Mr Rae	
Employment	3023
Mr Phillips	
Mr Philip	
Assisted housing	3023
Mrs Marland	
Ms Gigantes	
Eastern Ontario Vegetable Growers' Co-operative	3024
Mr Villeneuve	
Mr Buchanan	

Purchase of carpets	3024
Mr Scott	
Mr F. Wilson	
Remarks by appointee to police services board	3025
Mr Runciman	
Mr Pilkey	
Child care	3026
Mrs MacKinnon	
Mrs Boyd	
Oak Ridges moraine	3026
Mrs Caplan	
Mr Wildman	
Vehicle licensing offices	3027
Mr Turnbull	
Mr Pouliot	
Correction	3027
Mr Chiarelli	

Petitions

South Lincoln High School	3027
Mr Henderson	
Tobacco taxes	3027
Mr Jordan	

Second readings

Power Corporation Amendment Act, 1991, Bill 118	3027
Mr Ferguson	3027
Agreed to	3028
Income Tax Amendment Act, 1991, Bill 83	3028
Mr Turnbull	3028
Mr Bisson	3033
Mr Stockwell	3037
Mr Jamison	3039
Mr Runciman	3040
Mr Tilson	3041
Mr Mammoliti	3041
Ms Wark-Martyn	3041
Vote deferred	3043
Tobacco Tax Amendment Act, 1991, Bill 84	3043
Ms Wark-Martyn	3043
Mrs Y. O'Neill	3043
Mr Tilson	3046
Adjourned	3048

Lists of members

Members and their responsibilities
Committees of the Legislative Assembly

TABLE DES MATIÈRES

Le lundi 21 octobre 1991

Date anniversaire d'un député	3017
M. Rae	

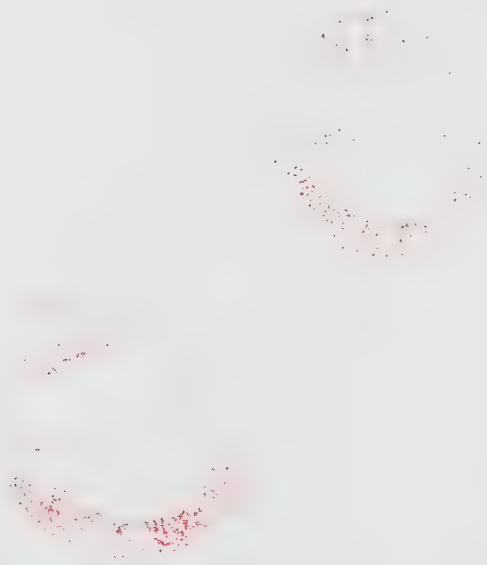
Deuxième lecture

Loi de 1991 modifiant la Loi sur la Société de l'électricité,	
projet de loi 118	3027
Adoptée	3028
Loi de 1991 modifiant la Loi de l'impôt sur le revenu,	
projet de loi 83	3028
Vote différé	3043

Loi de 1991 modifiant la Loi de la taxe sur le tabac, projet	
de loi 84	3043
Débat ajourné	3048

Listes des députés

Les députés et leurs responsabilités	
Comités de l'Assemblée législative	





72 1991

72 1991

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Legislative Assembly of Ontario

First Session, 35th Parliament

Official Report of Debates (Hansard)

Tuesday 22 October 1991

Assemblée législative de l'Ontario

Première session, 35^e législature

Journal des débats (Hansard)

Le mardi 22 octobre 1991



Speaker
Honourable David Warner

Clerk
Claude L. DesRosiers

Président
L'honorable David Warner

Greffier
Claude L. DesRosiers



Table of Contents

Table of Contents for proceedings reported in this issue appears at the back, together with an alphabetical list of members of the Legislative Assembly of Ontario.

Reference to a cumulative index of previous issues may be obtained by calling the Hansard Reporting Service indexing staff at (416) 325-7400.

Numbering of Hansard

Effective with the opening of the Second Session of the 35th Parliament, Hansard issues and pages will once again be numbered on a sessional basis. Hansard numbering therefore will become consistent with Orders and Notices and Votes and Proceedings, and with other parliamentary publications throughout Canada.

For the last two years Hansard has been numbered according to the calendar year. Under this system, the numbering of issues and pages was restarted with the first issue in the calendar year, regardless of session or Parliament.

Under the new system, the sequence of numbering started in January 1991 will end with the final House and committee sittings of the present First Session. A new sequence will begin on the opening day of the Second Session, and each succeeding session, which will be issue 1 and begin with page 1. Committee reports likewise will be numbered from the first sitting of each committee in a parliamentary session.

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Table des matières

La table des matières des séances rapportées dans ce numéro se trouve à l'arrière de ce fascicule, ainsi qu'une liste alphabétique de députés de l'Assemblée législative de l'Ontario.

Il existe un index cumulatif des numéros précédents. Les renseignements qu'il contient sont à votre disposition par téléphone auprès des employés de l'index du Journal des débats au (416) 325-7400.

Numérotation du Journal des débats

A partir du début de la deuxième session de la 35^e législature, les pages et les numéros du Journal des débats seront de nouveau numérotés par session. La numérotation du Journal des débats correspondra donc à celle de Feuilleton et Avis et de Procès-verbaux, ainsi que celle des autres publications parlementaires au Canada.

Depuis deux ans, le Journal des débats était numéroté par année civile. Avec ce système, la numérotation des numéros et des pages recommençait au premier numéro de l'année civile, quelle que soit la session ou la législature.

Avec le nouveau système, la numérotation commencée en janvier 1991 s'arrêtera à la dernière séance de la Chambre et des comités de l'actuelle première session. Une nouvelle série commencera le jour de l'ouverture de la deuxième session et des sessions suivantes : numéro 1, page 1. Les rapports des comités seront également numérotés à partir de la première séance de chaque comité pour une session parlementaire donnée.

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LEGISLATIVE ASSEMBLY OF ONTARIO

Tuesday 22 October 1991

The House met at 1330.

Prayers.

MEMBERS' STATEMENTS

CAPITAL FUNDING FOR SCHOOLS

Mr Daigeler: Today I will do something I have not done before and probably will not be doing again for a long time. I will congratulate and thank an NDP cabinet minister.

Before the Premier and the government backbenchers get carried away with enthusiasm, I should say that my thanks would have come much earlier had the former Minister of Education listened to me in May. It was then that the member for London Centre decided to freeze the capital announcements for the Carleton school boards. This uncalled-for delay was supposedly put in place to let the Ottawa boards find an end to their long-standing accommodation quarrels.

As expected, when Larry Taman released his one-man commission report on October 9, he made one short suggestion: Release immediately the capital funds held back for the Carleton public and separate boards. My thanks go to the former minister for implementing the Taman recommendation and for authorizing an elementary school in my own neighbourhood of Barrhaven. Barrhaven parents have long been waiting for this good news. As I said, though, in a press release on October 10, late funding for Barrhaven is better than no funding.

PUBLIC LIBRARIES

Mr Harnick: The city of Mississauga has proposed presenting a private member's bill that would replace public library boards with committees of municipal councils that would include citizen representation. The city of Mississauga wishes to implement the above change in order to make its elected representatives more accountable for the library system. But while the proposed changes may work in Mississauga, they should not be imposed universally. Mississauga is not asking this for any other municipality.

The governance of public libraries in this province falls under the jurisdiction of the Public Libraries Act, 1984. The act ensures that a library board is fiscally accountable to the municipality. The proposed bill would allow Mississauga to have control over priorities and spending, but libraries and all cultural institutions must be guaranteed an arm's-length relationship from their political masters.

Libraries must be guaranteed intellectual freedom. The residents of North York do not want politicians determining the priorities and the use of resources for the North York Public Library. Existing legislation guarantees the separation of cultural institutions from elected officials while creating a balance between citizen participation and fiscal control by the municipality.

The city of Mississauga's proposed bill would have the effect of eroding a specific and important principle of public policy for the province, and therefore I ask the government on behalf of the North York Public Library to support the existing legislation.

SURVIVORS PSYCHIATRIC ADVOCACY NETWORK

Mr Drainville: I would like to focus the attention of the House for a moment on a group of courageous men and women in my community who are working to improve the lives of many people in Victoria-Haliburton. I am referring to the organization called Survivors Psychiatric Advocacy Network, or to use their acronym, SPAN.

Founded by Fred James, Doug Mitchel and Dayle MacCharles, it is the first time this government has funded a group of psychiatric survivors to design, develop and run their own programs. The funding of \$103,000 was provided by the Ministry of Health through the anti-recession funding program. Services provided by the group include an advocacy network, one-on-one counselling for people who have an ongoing crisis, a 24-hour crisis phone, as well as training and information to professionals and volunteers who work with the psychiatric survivor community.

I think the most important role the organization plays is the empowerment of a group of people who have been marginalized by our society. SPAN has formed self-support groups which are controlled and run by those suffering from a psychiatric illness. SPAN is also encouraging psychiatric survivors to get on the boards of organizations such as the Canadian Mental Health Association and the local hospital to ensure their programs and services will truly help.

The work of SPAN is the type of effort we need to encourage. It is empowering people to work with the system in order to create solutions that meet the real needs of people receiving assistance.

CHILD CARE

Mr Sola: The Peel lunch and after-school program was founded in 1975 with the mandate to provide high-quality, affordable and accessible child care in communities where there is a demonstrated need.

At its annual meeting last night at the Meadowvale Delta Inn in Mississauga, the board of directors reported another successful season of operation. Despite the additional burden the recession has placed on PLASP, it remains responsive to the child care needs of Peel. This it accomplished while maintaining program quality, expanding services, controlling costs to maintain affordable fees, improving communications and recruiting, and developing and retaining staff.

Co-operation between the Dufferin-Peel Roman Catholic Separate School Board and the Peel Board of Education is essential for the success of PLASP. They should

be congratulated for this and should serve as a model of good relations for the rest of the province.

Another essential ingredient in the success of PLASP is the collaboration of the cities of Mississauga and Brampton and the town of Caledon, and provincial support through the Ministry of Community and Social Services.

Particularly noteworthy is PLASP's budget. Total revenues of almost \$6.7 million were financed 88% by program fees, 11% by provincial grants and 1% by interest and fund-raising, resulting in a surplus of \$8,600.

On behalf of the 5,555 kids and 4,415 families enrolled in the program, congratulations to the board of directors, management, staff and volunteers for a job well done.

COMPENSATION TO SHEEP FARMERS

Mr B. Murdoch: Sheep farmers in my riding are growing quickly more confused with the Ministry of Natural Resources policy, or non-policy, on hunter compensation for coyotes that kill their flocks. No one can get a straight answer on this issue from either my local office in Owen Sound or the minister's office in Toronto.

On the one hand, we learn that compensation will be paid to anyone who fills out a form swearing that his or her sheep are being threatened and that certain hunters have been given permission to kill the coyotes within the vicinity of the endangered sheep. On the other hand, we hear that in order to collect compensation, a hunter must present proof of a kill. In other words, he or she must watch a coyote come on to the land and wait until the wolf has attacked a sheep before he can kill it, so that he can give evidence the coyote was doing harm.

This is ridiculous. If this is the case, I can only feel this government has sunk to its lowest level yet in terms of policy decisions. I would ask that the minister and the local office get together on this matter and decide which program is in place, and advise sheep farmers in Bruce and in Grey as soon as possible in order to end this confusion. I realize the wolf has been at most farmers' doors for a very long time, but is this government honestly thinking of now letting it loose in the sheep pen?

1340

COAT DISTRIBUTION PROGRAM

Mr Hope: There is a coverup going on in my riding of Chatham-Kent and I am going to expose it today. It started yesterday and is being carried out by the Chatham Police Association, the United Way, the Salvation Army and several area dry cleaners. To be precise, it is called Operation Coverup. It is a mission to make sure everyone in Kent county will be warm this winter through a coat distribution program.

Over the past few weeks, Kent county residents have been urged through the media to take their used coats to a host of local dry cleaners. In turn, the neighbourhood dry cleaners clean the coats free of charge before giving them to the Salvation Army for distribution. Through Friday, donated coats will be distributed at the Salvation Army Citadel Church on Victoria Avenue. Distribution will be held from noon till 6 pm each day to make the free coats available to every needy person.

This is the sixth straight year the good people of Kent county have participated in this program. Last year, almost 2,000 coats were donated to the residents of my riding. This October we are hoping for an even bigger success. Once again the residents of Chatham-Kent and Kent county have done a great job.

The leader of the third party, who I understand is looking for a new leather coat, ought to stop by. They may even have a coat for him.

COMMUNITY ACTION TEAM

Mr Mahoney: As the Premier and all members of all parties will know, we were visited this morning by a community action group, actually called the Community Action Team, from my home town of Sault Ste Marie. I would like to congratulate them for the wonderful work they have done in putting together an extremely positive report, which I know they presented to the Premier and to the Conservative Party as well as to our caucus.

I would particularly like to note that in their final recommendation or request, they state: "We are not here today asking government to do those things that the community should be doing. We are doing our part, the company and its employees are doing their part and we need government to do its part."

This is a volunteer group with a membership of approximately 10,000 people in Sault Ste Marie and Wawa. It really addresses a very critical problem in that if Algoma Steel were to close, they would lose 10,000 jobs, a 20,000 population reduction would be in effect, and they would lose local tax revenues of \$20 million and a payroll of \$300 million, an extremely important issue for the people in Sault Ste Marie and Wawa. There would be additional jobs lost in all parts of the province as a result of the lost revenue.

I would like to say that I consider this to be a totally non-partisan issue. I am quite prepared to work with the government, and hope that it will see fit to find a way to help this very progressive, positive group called the Community Action Team from Sault Ste Marie.

BREWING INDUSTRY

Mrs Witmer: My statement is for the Treasurer. In June of this year, I raised the issue of the serious repercussions of the phased-back ad valorem rate to small brewers in Ontario. At that time, the Treasurer indicated that this was a matter which he took very seriously and that he would "take a careful look at it."

In late summer, the Treasurer had an opportunity to meet with representatives of the small brewers of Ontario to discuss the ad valorem tax issue. Since that time, the brewers have had no response from the Treasurer. These small breweries have been paying the increased tax since June 15 of this year and it has caused them considerable economic hardship.

The small brewers would like to be allowed to return to the reduced rate until the review of this issue is completed by the Treasurer. They are also quite anxious to have this matter resolved as quickly as possible, as they are unable

to make any future business decisions or provide increased employment opportunities until they receive a response.

I would like to urge the Treasurer to provide assistance to this important local industry by giving it a temporary respite from the increased ad valorem tax until he has completed his review of this matter, and I would encourage him to make a decision at the earliest possible time.

RECYCLING

Mr Sutherland: Environmental concerns are one of the main issues facing us as a society today. As a government we are actively promoting the 3Rs: reduce, reuse and recycle.

Today I would like to take the opportunity to commend the University of Western Ontario for its recently expanded recycling program. The university's green plan is the result of a co-operative effort between the UWO administration, students, employee groups and affiliated colleges.

The campus recycling committee is composed of representatives from faculty, staff associations, students, residence operations, food services and occupational health and safety. A major portion of the program's funding comes from the students themselves. Last year the students on the main campus and at its affiliated colleges approved a \$5 levy that goes directly into the green plan.

The green plan includes the recycling of fine paper, newsprint, beverage cans, clear glass, cardboard and computer paper. Under this plan all newsprint, glass and cans are being recycled on the main campus and at the affiliated colleges, and for the first time, cardboard from the UWO bookstore is also being recycled. In the first month the program collected almost 17,000 kilograms of recyclable material.

The University of Western Ontario's green plan is an important step in the right direction for our environment and one that I urge other institutions and businesses to consider as a blueprint. Once again I congratulate everyone, particularly the students, at the University of Western Ontario for a job well done.

ORAL QUESTIONS

GOVERNMENT ASSETS

Mr Conway: My question is for the Treasurer and it concerns the budgetary policy of the government. Like many people in the Legislature and across Ontario, I have read with real interest in the last few days the Treasurer's reported inventory-taking of the capital assets of the province of Ontario. It is plain that a bad budget gets worse as we approach the end of the second quarter, the beginning of the third quarter, and it is increasingly clear that my good friend the member for Nickel Belt and his colleagues, good people all, just do not know what they are doing.

I was struck this morning to read in the press that the Treasurer is now acknowledging that, quoting the Treasurer from this morning's press: "Everyone knows that we're struggling with our expenditures, which are going up, and our revenues are not going up. Maybe there's an alternative to reductions in programs, namely the disposition of some assets."

Does the Treasurer honestly believe that the only substantive way to deal with the budgetary problem that he and his colleagues have written for themselves is to sell off the crown assets?

Hon Mr Rae: That's not what he said. Let him have it; both barrels.

Mr Sorbara: Why don't you sell Howard? He's disposable. He's a liability.

Hon Mr Cooke: We would sell you if we thought we could get anything for you.

Hon Mr Laughren: Do those answers satisfy the member? It is completely inaccurate to even imply that I was inferring that the way to meet our expenditure problems was the disposition of assets. I did not say that was the only way we could stay within our expenditure forecast. That is simply not the case. What I did say was that we should look at the entire allocations of government, which I gather had not been done ever, despite the efforts of the former government, good fellows and persons all. They simply had not done that, and we are doing that. I think it would be irresponsible for us not to look simply at program expenditures but to also look and see if there are some assets which are not strategic assets and see whether the disposition of those assets would go some way to helping us solve our problems.

1350

Mr Conway: I want to say to the Treasurer that no government in the history of Ontario has ever brought to this Legislature a budget and a four-year fiscal plan that contemplates annual deficits in the range of \$10 billion. His budgetary difficulties are real. Everyone out there has been telling him that for the last number of months, and now, 13 months into his term, he is awakening to the reality that there are real difficulties, even if he hopes to bring the plan on target at a \$9.7-billion deficit for this fiscal year.

Would the Treasurer not agree that his real problem has to do with the program spending, and that contributing to that real problem is the decision made by his government this year to increase the Ontario public service wage bill year over year by 14.5%, to settle with the doctors at a cost of nearly half a billion dollars and, just 10 days ago, to announce that the teachers' pension fund will require another \$215 billion, to name but three examples that speak to the unwillingness or the inability of the NDP government to control spending? Selling off the garage surely is not going to help the Treasurer pay the grocery bills.

Hon Mr Laughren: First of all, it is true that no other government has brought in a deficit of \$9.7 billion, but I remind the member opposite that no other government has been faced with the recession we have been faced with at this time. I am getting a little weary of members of the Liberal caucus standing in their place and saying that we should be spending more money on programs and then during question period having them tell us we are spending too much on programs. I wish they would make up their minds over there.

As far as being critical of this government for laying out our three-year program of expenditures and revenues

beyond this year is concerned, I only wish the former government had had the courage and the integrity to do the same thing.

Mr Conway: Ten days ago the Treasurer, with a mid-course correction—because he is now understanding what people out there have been telling him and his colleagues for weeks and months: that there is a real problem and it lies on the expenditure side—had a chance to show what he was prepared to do around tough decisions, particularly on the expenditure side. He did virtually nothing in this fiscal year. He deferred most of the pain to next year.

I want to ask a final supplementary of the Treasurer, who is clearly casting about for some kind of remedy for his budgetary problem. Members of this government are travelling around telling farmers in communities like the Niagara Peninsula that the NDP government is not going to allow the farmers of this province to sell off portions of their farm to raise revenues to allow them to stay in the beleaguered business of agriculture. Will the Treasurer commit to this House that he is prepared to live by the same advice, that he does not intend to start selling off the farm, selling off the family garage, to pay the grocery bills and that he will get serious about meaningful restraint on the expenditure side, particularly on major programs like public sector spending?

Hon Mr Laughren: First, I tried to say as clearly as I could that any disposition of assets would not be strategic assets; they would be assets that we conclude are no longer appropriately held by the crown in this province. Second, it really does wear a little thin hearing my good friend the member for Renfrew North, the same member who, with his cabinet colleagues, got us into some real messes, along with the third party, whether it was Suncor, whether it was the domed stadium—

Mr Bradley: Not pointing a finger, says Bob Rae.

Hon Mr Laughren: No, I am not suggesting that we do not have difficulties in the middle of the severest recession in this province in 50 years. It would be ridiculous to imply that we do not have expenditure problems, because we are determined to continue to fund essential services in health care and education and social services. We are determined to do that. If the member wants to stand in his place and tell us that he wants us to start cutting those essential services, he should do so, but he should not pretend he can have it both ways.

Mr Conway: Settling electoral accounts with public servants and teachers and doctors is not my view of taking a responsible approach to budgetary planning in the heart of this recession. If I ever thought I would see Floyd Laughren pursuing a Thatcherite/Mulroneyite plan to sell off crown assets, I would have thought I had died and gone to another place.

The Speaker: To whom is your second question directed?

ASSISTANCE TO FARMERS

Mr Conway: My second question is for my friend the member for Hastings-Peterborough, the Minister of Agriculture and Food. A few days ago the Minister of Agriculture

and Food stood in his place and to his credit announced a \$35-million farm relief program for the beleaguered farm community of this province. My calculations suggest that the \$35-million program will provide an average of roughly \$600 per farmer in Ontario, and for that we are appreciative and thankful.

Having regard to the fact that the government has just provided a \$600 benefit to farmers, is the Minister of Agriculture and Food aware that as a result of the Bob Rae Ontario Hydro policy, a farmer in my community—and there are several like my farmer in the county of Hastings—with a hydro bill of \$12,000 a year, is going to have an increase this year of some \$1,500? What kind of relief is the Minister of Agriculture and Food going to provide to the thousands of beleaguered farmers in this province who are struggling in the midst of this recession with the government's hydro plan, which is to increase their essential electrical bills by nearly 50% over the next three years?

Hon Mr Buchanan: I am not sure whether that is an agriculture question or an energy question or what category that falls into, but I will try to answer the member.

This government is committed to protecting and preserving the family farm. The \$35 million we announced a couple of weeks ago was an emergency aid package. It was not a universal, general policy statement that was going to provide for the future of farming in Ontario. It was an emergency package. I do not think it is fair to divide the number of farms into the amount of aid and come up with a figure and say, "This is all you've done."

We have participated in the gross revenue insurance plan. We have announced we will participate in the net income stabilization account program. All those things have several millions attached to them. We announced last spring a \$50-million interest assistance program. We will continue to provide the kind of assistance that agriculture in this province needs in order to continue to prosper and we will not be sidetracked by issues around Hydro. If I might add a comment on that part of the question, we are attempting to provide and pay for the expenses of previous administrations related to Hydro spending.

Mr Conway: I know how well the Minister of Agriculture and Food is working to address the concerns of farmers, and I appreciate that. I want to return to my main question. Having regard to the good work he has already accomplished in providing this relief package, I ask him on behalf of my farmer, who appreciates the \$600 he will get this year: What does the minister plan to do about the fact that his government is imposing on my farmer this year an additional cost of \$1,500 for his vital, essential and non-replaceable electric bill? What is the minister going to do to provide relief this year for that government-imposed increase in cost?

Hon Mr Buchanan: Again, this question is specifically related to energy conservation and hydro bills, which is tied up in energy. But I would say to the member that I am aware of what Ontario Hydro and the Ministry of Energy are doing in terms of providing energy-efficient light-bulbs, for example, which will benefit the hog producers of this province in terms of cutting back on their consumption.

There are things we can do in the Ministry of Agriculture and Food to promote energy conservation in agricultural activities that I believe will help. Given the fact that there will be rate increases, we need to address this and work with the Ministry of Energy and its policies to make sure that farmers in this province can take advantage of any opportunity they have to conserve energy.

1400

Mr Conway: My farmer is struggling out there with a very difficult market. This year his bill for electricity, for which he has no alternative, is \$12,000. The Premier's hydro plan seeks to increase and will increase that bill by more than \$5,000 over the next three years. The Minister of Agriculture and Food well understands that in rural Ontario electricity is absolutely vital and that there is not much alternative for most farmers and for many people living in the rural part of the province. I simply want to ask again: What specific programs of relief has the Minister of Agriculture and Food got for my farmer and for those farmers in Hastings and everywhere else who are going to be stuck with a nearly 50% increase in this essential, and government, cost?

Hon Mr Buchanan: Unfortunately we cannot go back in time. If we could do something and go back to 1985, we could have cancelled Darlington and saved ourselves about \$10 billion or \$13 billion. That is where the fees are coming from. The rural people and farmers in this province were opposed, I believe, to Darlington at that time, yet the government of that day, which was elected on the promise to cancel Darlington, went ahead with it anyway. Now the farmers are going to have to help pay for it.

We are working on long-term interest programs. We are working on the long-term survival of agriculture and we will continue to work on that. Unfortunately the farmers are going to have to chip in to pay for those energy policies that were brought in in 1985, despite the promise of the government that was elected that it would cancel it.

ASSISTANCE TO DE HAVILLAND

Mr Harris: Could the Premier tell me if it is his or his government's intention that Ontario would assume an ownership position in de Havilland?

Hon Mr Rae: I do not like having to give this kind of answer, but I have to give it to the member in these circumstances. All I can say to the honourable member is that there are intensive discussions under way between our government and the government of Canada. I have spoken to the Prime Minister personally about this issue on several occasions and officials have been talking on a regular basis. There have been discussions with a number of other companies, as well as the Boeing company, with respect to the future of de Havilland.

I am sure he will appreciate that in negotiations of this kind, it simply is not possible for us to conduct these negotiations in public. There are a number of factors that have to be taken into account and a number of factors that we are taking into account. We have asked for a very significant assessment of the company. We have been engaged in some ongoing discussions with everyone, but absolutely

no decisions have been made with regard to the conclusion of any negotiations and no negotiations of any kind have been concluded.

Mr Harris: I appreciate that and I understand we are dealing with the private sector. We are also dealing, though, with a substantial potential involvement of the public sector and the taxpayers of this province in effect being either subsidizers or potential shareholders. I think with such quotes as "We're not going to walk away from it" and "If it takes an Ontario ownership position to meet the Canadian content rules, Ontario will be there," the Premier would appreciate that the public and the shareholders in this province are correct to assume that we may be willing or unwilling shareholders in an ownership position in this company.

The federal government owned this company and lost money every time an aircraft rolled off the line. Boeing, one of the largest and most efficient aircraft companies, with expertise far in excess, I suggest, of the Premier's cabinet—I do not say that derogatorily—far in excess of any ability anybody in this House, including me and my caucus, might have, has not been able to operate this company without every aircraft rolling off losing money.

The Speaker: Would the leader place his supplementary.

Mr Harris: Surely it would not be untoward, if the Premier has some information, some economic studies that demonstrate that somehow or other this company can be operated in a way different from the feds and from Boeing so that when an aircraft rolls off the line it could make a profit, there is no harm in making that information public. We want to get private sector investors.

The Speaker: Would the leader conclude his question.

Mr Harris: Does the Premier have any economic analysis or study that suggests there is a way Boeing has not found and the feds could not find that he can own this company or somebody else can own it—

The Speaker: Would the leader quickly conclude his question.

Mr Harris: —and it will actually make a profit?

Hon Mr Rae: I want to say to the honourable member there are a number of factors that have to be taken into account. I am not in any way avoiding his question. First of all, whenever the government makes a decision in this regard, it will obviously be a decision that will be announced here in the House. It will be discussed. The information will be made widely available, and there will no doubt be comments both for and against whatever the government decides to do. That level of accountability is one I accept entirely.

The aircraft industry in every part of the world is a heavily subsidized industry. That is true. It is true in Europe. It is true in the United States, only they do not call it subsidization; they call it military contracts. It is true in Quebec. It is true in every part of the world that has an aircraft industry. It has been subsidized by taxpayers in this province to some extent, but not to the extent it has been in other jurisdictions, either by us or by the feds.

The question we have to ask ourselves, and this is really the important question, is how critical is this industry—not just this company, but this industry—for the industrial future of Ontario? It is not just a matter of the jobs at de Havilland, which are significant in terms of engineering, research and development and new technologies being applied in manufacturing; it is a question of the thousands of jobs in the supply industry in this province which also depend on de Havilland.

The Speaker: Would the Premier conclude his response, please.

Hon Mr Rae: These are all factors that have to be taken into account when we assess what is the wisest course for the Ontario government to follow with respect to de Havilland.

Mr Harris: I am really after information as much as anything. Obviously, the Premier has not said anything other than what we have heard, discussions that the vault is open. He is basically saying that I will not be part of the discussions and neither will the taxpayers, that, "You'll judge us afterwards," and we will judge him afterwards, which is our role, and I know the Premier understands that.

One thing that does concern me is that we seem to be prepared to take an ownership position in this company. When we have been dealing with Algoma Steel, when we have been dealing with Kapuskasing, when we have been dealing with some other areas—areas of the economy that are important, significant to their communities—before we committed any taxpayers' money, I believe we tried to look at, what are the factors why that steel mill has been losing money and is the new arrangement going to allow that mill to make a profit? Is the new arrangement going to allow Algoma Steel to make a profit and not be a further drain on the taxpayers? I know this is Bob White's baby and the big-paying union job. Everybody else has said, "We'll take a wage cut to allow this mill to come forward"—

The Speaker: Will the leader place his supplementary, please.

Mr Harris: Has the Premier given any consideration, and has the union and has Bob White given any consideration to saying, "Maybe if taxpayers are going to throw in billions of dollars, we will have to participate by saying maybe \$45,000 a year is enough, instead of \$50,000, or \$40,000 instead of \$45,000"? Do you have any indication—

The Speaker: The question has been placed. Would the leader take his seat, please.

Hon Mr Rae: Perhaps the leader of the third party would like to consider the questions we have to consider as a government. What is the impact going to be on 15,000, 20,000 or 25,000 jobs in southern Ontario? What is the position going to be with respect to strategic investments in research and development and in high technology? These are all the factors that have to be taken into account by any government that is seeking to lead this province. These are not issues that can go away or be ignored.

I say to him again that he can make all the attacks on trade unions he wants. I am talking about engineers; I am talking about scientists; I am talking about people who are

working in all walks of life in the skilled trades in southern Ontario. The question we have to ask ourselves as a province is, after all is said and done, do we want to have an industry that is functioning and working well in this province and providing a degree of industrial leadership that is essential for us as we head into the 21st century?

Mr Harris: The question is, before \$20,000-a-year cab drivers hike their taxes, surely we should ask if those directly involved are willing to contribute something. I think that is fair.

1410

MINISTRY CONFERENCES

Mr Harris: My question is to the Attorney General. On January 22 and 23 of this year, the financial and administrative services branch of his ministry travelled to the Old Stone Inn in Niagara Falls; 43 staff were treated to two days of what they bill as the deluxe seminar package, which includes American continental breakfast, two deluxe coffee breaks, lunch and dinner. Will the Attorney General tell us if he authorized this \$10,000 spending spree?

Hon Mr Hampton: In the Ministry of the Attorney General, when staff have a retreat or a conference session, ordinarily I would not see that unless it surpasses a certain level of expenditure.

Mr Harris: Is there some secret about this level of expenditure the Attorney General cannot tell us? For two nights, \$10,000 seems astronomical, but it gets worse. It seems the ministry staff had the taxpayers buying drinks all around. The Attorney General's staff ran up a bar tab of \$2,500. They tossed back Courvoisier, lit up glasses of Sambuca, savoured Grand Marnier; in fact, \$360 worth of Grand Marnier. You cannot help wondering how much work actually got done between the bottles of beer and the Baileys. Does the Attorney General have an explanation for \$2,500 worth of booze while they were on this extravagant conference in Niagara Falls?

Hon Mr Hampton: If the allegations raised by the leader of the third party are indeed true, I am very interested to learn that and I will check into it.

Mr Harris: I raise this virtually every week. They are under a restraint program. They are cutting back in many areas we do not think they should be cutting back in, but this is obviously carrying on. Surely, with all the questions that have been asked, he would have been taking a look at this. Last year he spent over \$500,000 on conferences and seminars. I would simply ask the Attorney General this: Can he tell us—since I think he would have been interested; we keep bringing them up—how much of that was on a bar tab?

Hon Mr Hampton: I do not know why the leader of the third party would be particularly interested in a bar tab, but let me point this out to him: When we became the government, there were certain policies of the former government that it is fair to say the civil service felt it would be appropriate for it to continue to follow. About halfway through the year we became aware of those and we have put an end to them.

In fact, since last spring, we have curtailed the number of conferences staff within the Ministry of the Attorney General are allowed to attend. We have requested that when those conferences are held, they be held as often as possible in government-owned buildings, and we have, by and large, constrained to a very great degree the expenditure that was going on at conferences under the former Liberal government. I am happy to tell the leader of the third party that if he asks this question again next year, he will receive quite a different answer.

ONTARIO HYDRO RECEPTION

Mr McGuinty: My question is for the Minister of Energy and it is perhaps somewhat along the same line as the question of the leader of the third party.

I have in my hand a copy of an invoice issued by the Compri Hotel in Windsor. The invoice is for a reception held by Ontario Hydro on October 2 and 3. The invoice shows that on October 2, during a three-hour period, 870 drinks were served at a cost of \$4,713.14. In addition, the cost of the food was \$2,621. Hydro was even so thoughtful as to provide a sound system, at a cost of \$274.25. The entire cost of the affair was \$7,919.85.

The minister knows that Hydro's ratepayers are presently staring in the face of a 44% rate hike over the next three years. In addition, the Premier has decided to saddle ratepayers with a new chair of Hydro, a friend of the Premier's, who is insisting on a salary of \$400,000-plus. How can the minister justify to Hydro's ratepayers spending \$8,000 for music, food and booze?

Hon Mr Ferguson: I am not aware of the event that took place. I certainly will attempt to obtain further details on the matter and advise the member.

Mr McGuinty: The minister suggests that since he is not aware of it, he is somehow not responsible and therefore, by implication, not accountable. It does not matter whether we are talking about Marc Eliesen's salary or this particular booze-up. At the end of the day, Hydro is his baby. When a baby's diaper needs changing, you do not talk to the baby; you talk to the parents. The minister is claiming he has no control over Hydro's expenses. Can he have already forgotten that in the last four months he has ordered Hydro to spend \$500 million at Elliot Lake and Kapuskasing? That is \$500 million Hydro did not want to spend. If that is not control, I do not know what is.

Again, how can he justify adding the \$8,000 cost of a three-hour booze-up to Hydro ratepayers' bills?

Hon Mr Ferguson: Maybe I was speaking too quickly when I replied to the question before. I advised the member that I did not have firsthand knowledge of the meeting or the event that took place. I certainly will try to obtain for the member the details of the meeting and the purpose of the event. When I have had an opportunity to do that, I will certainly relay the information to the member.

1420

COURT SYSTEM

Mr Harnick: My question is of the Attorney General. While his ministry has been out quaffing cocktails and running up bar tabs, I notice that he has been running

around the province talking about access to justice. Back in December 1990, the class actions legislation was delivered to this Legislature for first reading. We also had the Arbitration Act delivered here for first reading about a year ago. The Attorney General has already told me he cannot do anything to help the plight of Small Claims Court judges or the small claims courts. He has had the report about paralegals sitting on his desk now for about a year; I think it was published in September 1990.

When can we expect to see him doing something instead of just bringing this stuff here, leaving it after first reading and forgetting about it?

Hon Mr Hampton: I am actually quite pleased that the member has asked this question. There were a number of pieces of legislation we wanted to get through the House last spring, but as I remember it, I had to come here and listen to the leader of the third party list off the names of all the lakes in Ontario. Then when we were finished with the lakes, we had to listen to the names of the rivers. I remember having I think \$1 million a week of taxpayers' money wasted while the leader of the third party wasted our legislative time and read off the names of the lakes and rivers of Ontario.

I would be quite pleased to bring forward legislation. The problem is that, this far in the fall already, we have been able to pass only two pieces of legislation. When the members of the third party decide that they want to come here and do some serious work, we will be more than happy to engage them with legislation that will keep them busy from sunup to sundown.

Mr Harnick: Let me just tell the Attorney General a couple of things: One, all the initiatives he started were brought here by the Liberal Party, none by him; two, the House leader of the New Democratic Party has never suggested that any of this legislation come back to this House for second reading. He should not try to fool us.

We have a problem in our civil courts. We know that 40,000 cases have already been tossed out of our criminal courts. We now have a problem with our civil courts. I understand that before the court merger we used to be able to have a motion brought before a master within two or three days. I understand that we now have to wait three months until a master is available to listen to a motion. Nevertheless, the Attorney General persists in trying to phase out masters. Will he hire more masters and let them do their job or hire judges and let them do the job of the masters? Please, will he do something? He should not sit there any longer.

Hon Mr Hampton: Once again, I am pleased to hear from the member opposite because it appears his memory of events of the last year may be somewhat different from everyone else's in the province. When we became the government, we became aware that there was a backlog in the courts.

Mr Scott: What do you mean "became aware" of a backlog? Give me a break.

The Speaker: Order.

Hon Mr Hampton: Mr Speaker, it appears I have offended the former Attorney General. I will sit down.

The Speaker: Has the Attorney General completed his response? New question. The member for Peterborough.

Interjection.

The Speaker: To the Attorney General, I did ask if you had a further response and you seemed immobilized.

Hon Mr Hampton: The member for St George-St David erupted again.

The Speaker: Does the Attorney General have a brief response?

Hon Mr Hampton: Let's be very clear on something. When we became the government we discovered that there was a backlog in the court system which the Supreme Court of Canada acknowledged stretched back to when the third party was the government of the province. That is how serious the problem was. It took considerable resources for us, considerable dedication and hard work by judges, crown attorneys and everyone involved in the criminal justice system to deal with that problem in a way that we minimized the effect upon the people of the province. Following that, we brought forward what I think is the most progressive family support legislation in North America.

Mr Harnick: What are you going to do about the masters? Have you ever been in a master's court?

The Speaker: Order.

Hon Mr Hampton: Maybe the critic for the third party does not think these issues are important. I happen to believe the people of Ontario think they are very important.

NUCLEAR POWER FACILITIES

Ms Carter: My question is for the Minister of Energy. The minister and the chairman of Ontario Hydro have said that the large increase in electricity rates next year, as well as paying for Darlington, is needed to restore Hydro's generation and transmission facilities to proper working order. Could the minister tell us more about the performance of Ontario's nuclear plants and how far this falls short of target?

Hon Mr Ferguson: It is generally well known and widely accepted that nuclear generating facilities ought to be operating at around 80% efficiency. That clearly is not the case. In 1990, for example, the nuclear industry operated at an average efficiency rate of 62%. I have asked Ontario Hydro to pay particular attention to the question of operational efficiency and reliability of the system. I think members of the House are well aware that if the system is not operating in a reliable fashion, the additional power obviously has to be purchased. That cost is of course passed on to the consumer. Unfortunately, it appears that the question of the reliability of the nuclear generating stations was not adequately addressed prior to the construction of the facilities.

Ms Carter: Could the minister say what the cost has been to Hydro of the poor nuclear performance, how much is being spent now and how much expenditure has been planned for the future on repairs to nuclear plants?

Hon Mr Ferguson: The cost is projected at approximately \$100 million to \$125 million. There are also current

major repairs taking place. The retubing of Pickering is going to cost an additional \$485 million. The upgrades at Pickering A will cost about \$170 million and the rehabilitation of Bruce A will cost around \$854 million, so I think it is in the interests of everybody in this province that our number one goal has to be getting the plants up and operating efficiently.

The second point I would like to make is that in the past we have had one individual attempting to do three jobs. In fact, one individual cannot do three jobs. One cannot do the day-to-day operation in keeping the lights on at Hydro as well as looking at long-range planning and forecasting for Ontario Hydro. We now have two individuals in place who we believe will be able to fulfil the mandate and the responsibilities the position so richly deserves.

INVESTIGATION INTO RELEASE OF DOCUMENTS

Mr Bradley: I have a question of the Premier. On at least two different occasions his government has sent the Ontario Provincial Police to interrogate members of the opposition who have come into possession of information which, in a democratic system, is of great interest to the public we all serve. The government has sent the OPP to investigate the Leader of the Opposition and the Liberal member for Halton Centre because they have used information received from government sources to expose weaknesses in this administration.

Does the Premier intend to continue to use the OPP as a political police force to intimidate members of the opposition and public servants who are providing important information that he obviously wishes to hide from the public?

Hon Mr Rae: I will answer that question as directly as I can. The allegation the member has made, that we are somehow using the OPP in a political way, is without substance or foundation. It is a false allegation that he has made in the House.

Interjection.

Hon Mr Rae: I hope the honourable member will at least give us some credit. The problem that the Treasury, not the Treasurer, had with the leaks of information is—

Interjection.

Hon Mr Rae: I want to say this to the member if he will simply allow me to answer: What would the honourable member say or do in the event that there was a leak surrounding the budget? He would be the first to stand up in this House and insist on the head of the Treasurer on a platter. He would be the first to insist on that. The Liberal Party and the Conservative Party would be the first to ask for it. This government has not asked the OPP to interview anyone.

Interjection.

The Speaker: Order, the member for Halton Centre.

Hon Mr Rae: It has not authorized or ordered the OPP to discuss an issue with any individual in this Legislature whatsoever. The allegation that we are asking the OPP to interview members of the opposition is utterly and totally false. It has no foundation whatsoever.

1430

Mr Bradley: The Premier's spin doctors do a job attempting to portray him as a civil libertarian, as a person who believes in open and democratic government. The performance of the Premier, when he was in opposition, as a civil libertarian and as one concerned about the government leads me to ask this question. If the Premier is to practise what he preached in opposition and what he portrayed to the people of this province when attempting to get elected to the position he is in now, will he guarantee that this harassment and intimidation of the opposition and public servants by his police force will cease?

Hon Mr Rae: Let me be very clear: If the member opposite is alleging that the Ontario Provincial Police is harassing or intimidating anyone, that is a very serious allegation. Let him stand up in the House and make that allegation with respect to the conduct of the provincial police. If he is making that allegation, let him make it, but to state that somehow we in this government are authorizing any harassment or any intimidation is unbecoming of a member with the experience of the member for St Catharines. He knows perfectly well that the problem this government has had to deal with is of a totally different dimension, and in no way have we ever authorized or asked for or suggested that anyone intimidate or harass anyone else, ever.

Mrs Sullivan: On a point of privilege, Mr Speaker: I want to speak directly to the response from the Premier. I was interviewed not on a question of tax matters, as the Premier indicated was the issue relating to the member for Bruce, but on a question relating to a document I had received through the Ministry of the Environment. That has absolutely nothing to do with tax matters. Indeed, in that case I had to ask for my own solicitor, because I was told by police that there may well be charges laid against me for participating in the receipt of this information. My privileges were violated, and no one can tell me this Premier does not have standards that will allow my privileges to be violated.

Hon Mr Cooke: On a point of order, Mr Speaker: I would simply ask, as I did last week, that you take a look again today at the transcript of the questions that have been asked by the House leader for the official opposition. I think you will see in it that he not only alleges harassment by the OPP of a member of his caucus, but he also alleges that the government—

Interjections.

The Speaker: Order. I know the member for Lanark-Renfrew is waiting to place his question. I ask members to come to order so I can hear the point raised by the government House leader.

Hon Mr Cooke: Not only did the House leader for the official opposition accuse the OPP of harassing them, but he accused the government, and specifically members of this government—

Interjection.

The Speaker: I ask the member for Oriole to please come to order.

Mr Scott: On a point of order, Mr Speaker.

The Speaker: I am only able to hear one point of order or privilege at a time.

Hon Mr Cooke: The House leader for the official opposition accused a member of the House, a member of this government, of directing the OPP to harass members of the opposition. Mr Speaker, that is clearly out of order and you have got to rule that they cannot continue this in this place.

Interjections.

The Speaker: I ask the House again to come to order. To the government House leader and indeed to all members of the House, you may recall this matter was raised earlier. I reported to you at that time that I was taking it under advisement. I will be reporting back to the House as soon as possible.

Mr Scott: On a point of order, Mr Speaker: By the by, when the honourable House leader says, "You have got to rule," if you sense any intimidation in that, I would not be surprised or ashamed.

The point of order is this: In answering the honourable member for St Catharines' question, the Premier said he did not believe there was any evidence that any member had been harassed in his or her interrogation by the OPP. That was the point of order that was raised by the honourable member who spoke last.

The Premier has an obligation to this House and to the province, not simply to the members, to deal with what is going on. We beseech him to give some indication of what the government policy is when we are confronted by a police force that comes around to the chambers of members and interviews them about the extent to which they are getting government documents which disclose misconduct on the part of the government. Who is working for whom? We want to hear the Premier's response to this issue.

The Speaker: First, to the member for Halton Centre who raised a point of privilege with me, I will examine Hansard. I will be reporting back to the House both on your point of privilege and to the points of order raised by the government House leader and various other members.

Interjections.

The Speaker: When the member for St George-St David has come to order, then the patient member for Lanark-Renfrew can place his question.

Mr Eves: On a point of order, Mr Speaker: When the government House leader stood to make his point of order—I am not talking about the point of privilege, which I think the member was quite proper in making—there were about 14 minutes and 30 seconds left on the clock. He talked about a point of order that he had previously raised. I would ask you to consider putting that time back on the clock.

The Speaker: A variety of members rose, starting with the member for Halton Centre. The standing orders are quite clear that points of order and privilege may be raised during question period and the clock continues to run. That is why I have repeatedly asked members, if at all

possible, to raise their points of order and privilege outside of oral question period.

ENERGY CONSERVATION

Mr Jordan: It was stated recently in this Legislature by a member of the government that Ontario Hydro is a monster out of control. My question is for the Minister of Energy. Conservation programs have become a major part of this monster. Could he tell the House today what conservation programs are available to the residential sector, the cost of those programs for 1990-91 and the kilowatt-hours saved?

Hon Mr Ferguson: I am a person and an individual, not a computer. I would be more than happy to supply all the information to the honourable member and I will get that to him as quickly as I possibly can. The ministry, as well as Hydro, operates a number of different and varied programs. I certainly would not be able to do all the programs justice by standing here today and giving a brief mention, but I will provide the information to the member as quickly as I possibly can.

Mr Jordan: A recent Toronto Star article reports on a family conducting a \$12,000 project on their home, with Ontario Hydro paying about two thirds of the cost. The community of 6,000 in which this family lives is a project where ratepayers of this province are being asked to pay 100% of the insulation, 74% of the siding costs for the house and 50% of the new windows. They are also providing free energy audits at a cost of \$125 to \$150 each. One of the residents commented, "You'd have to be brain-dead not to accept this offer."

While the farmers and small businesses in Lanark-Renfrew are in desperate economic straits, why is the Minister of Energy forcing them to pay with a hidden tax for others to renovate their homes?

Hon Mr Ferguson: The member is referring to the community of Espanola. Ontario Hydro today is undertaking a comprehensive energy-efficient town program in Espanola, and we are trying out a number of different methods in this pilot project to determine what incentives will and will not work, not only in this community but in application across Ontario. Surely to goodness the member is not suggesting that we ought not to get involved in pilot projects in order to save energy across Ontario.

1440

HEALTH CLUBS

Mr Hansen: My question is to the Minister of Consumer and Commercial Relations. Consumers in this province continue to have problems with health club memberships. Can the minister advise on what additional consumer protection measures are being considered with respect to the fitness industry?

Hon Ms Churley: I am glad the question was asked. Although the opposition is not really listening, I think they should, because I am sure a lot of their constituents are having these kinds of problems.

The Prepaid Services Act was specifically intended to try to minimize those kinds of consumer losses due to closures and to regulate the industry. I am in the process of

enhancing that consumer protection in the new fair marketplace code. One of the things we will be looking at is extending the cancellation period from, I think it is five days now, to at least one week. We are also looking into ways to tighten the pre-sale agreements and the use of alternative facilities.

Mr Hansen: What advice and suggestions can the minister offer to consumers who are about to enter into agreements with fitness or health clubs?

Hon Ms Churley: There are a number of things consumers should consider, and this is very important. I will just name a few of them. They should read their contracts carefully, because sometimes that does not happen before signing. As I have mentioned before, a lot of contracts are not written in plain language and people get confused. They sign contracts and get themselves into a lot of trouble.

Interjection.

The Speaker: The member for St George-St David, please come to order.

Hon Ms Churley: People should not be pressured into signing those contracts unless they are sure that is what they really want to do. Also, they should try to pay on a monthly basis. There is often a lot of pressure to pay for up to one year. If they pay on a monthly basis—

Interjections.

The Speaker: Interesting activity. It appears the members would rather sit and watch the clock tick by, and that is fine.

Interjections.

The Speaker: If members insist on making noise and drowning out a response which the Speaker is obliged to hear, this clock will continue to run.

Hon Ms Churley: Mr Speaker, I am really shocked. I cannot tell you how shocked I am to see members of the opposition, and especially the former Attorney General, laughing at the fact that people are being given advice.

Interjections.

The Speaker: Would the minister conclude her response.

Hon Ms Churley: As I mentioned before, contracts are not written in plain language. Often people cannot understand them.

The Speaker: New question, the member for Mississauga West.

Interjections.

The Speaker: Would the member take his seat for a moment. I asked the minister if she had a further response and then she sat down. Do you have a further response?

Interjections.

The Speaker: If there isn't something in the water, maybe there should be.

Interjections.

The Speaker: Member for Mississauga West, you will get your question.

Mr Mahoney: And my supplementary?

The Speaker: No, but you will get a question. Will you wait?

I ask the members for some co-operation. Has the minister concluded her response?

Hon Ms Churley: Mr Speaker, I sat down because I thought you were indicating to me that I should sit down because of the noise.

The Speaker: Would you conclude?

Hon Ms Churley: Yes, I will.

One of the problems that happens, as I was saying, is that often people do not understand and are not really clear on what they are reading in the contract and therefore sign things that end up getting them into trouble. So people should make sure they have the right to rescind the agreement within five days of signing the contract. That has to be done by registered mail. It is important that they do that so that if the club has to close down, for whatever reasons, they can be reimbursed.

The Speaker: The member for Mississauga West.

Mr Mahoney: I do have a question, Mr Speaker. I point out to you, sir, that while there was a lot of heckling, there were three separate occasions when this minister was allowed to rise to re-answer a question.

The Speaker: Would the member please place his question.

Mr Mahoney: Subsequent to that, I am able to get a question in—

Interjections.

The Speaker: You will get the question; just wait a moment. I do not know which is worse, the levity or yelling at each other, but I would ask that members come to order. The member for Mississauga West is being allowed to place his question, to which there will be, I take it, a response. Could you please identify to whom you wish to address your question.

TRANSFER PAYMENTS TO MUNICIPALITIES

Mr Mahoney: My question is to the Minister of Municipal Affairs, and I would just again ask you to consider, sir, the length of time and the number of times ministers are allowed to re-answer, and then wind up not giving an answer. In any event, since you are not going to allow me a supplementary, I would ask for your indulgence so that I can at least get all the points out.

Mr Abel: Just ask the question.

Mr Mahoney: Well, I will.

The former government instituted a report which was referred to as the Ballinger-Hopcroft report, named after the former parliamentary assistant to the Minister of Municipal Affairs, Bill Ballinger, and Grant Hopcroft, the president of the Association of Municipalities of Ontario. Those two gentlemen were commissioned to do a study on what has commonly been referred to as disentanglement. Disentanglement deals with the money that is spent on municipal issues that are indeed supported by provincial transfer payments, etc. That report outlined a number of recommendations, and to the credit of this government, it adopted that report. They deleted Mr Ballinger's name

from the title for some reason but, in any event, they adopted the report. The total cost of that report was \$170,000 over three years.

My question has to deal with the latest commission instituted by this government, which is the John Sewell commission investigating planning in this province. This particular commission, complete with its fancy reports—

The Speaker: Briefly.

Mr Mahoney: I am getting there, but you will not allow me the supplementary.

The Speaker: Would the member place his question.
1450

Mr Mahoney: Considering the fact that our government spent \$170,000 to study \$10 billion—

Interjection.

The Speaker: Order. Just a moment. Would the government benches come to order. The member for Mississauga West, I am sure, will very quickly place his question.

Mr Mahoney: I do not know why they get excited. They have not even heard the question.

Since the former government was able to study \$10 billion in interrelated transfer payments, etc, between the municipalities and the province for \$170,000 over three years with the AMO president and the then parliamentary assistant, why does this minister need \$3 million to create a six-figure job for a party hack so that he can be chairman of a commission and spend \$3 million of the taxpayers' money to go around and study what we already know is a problem? Why does he not use AMO? Why does he not use the municipalities and listen to some of the recommendations they would make to him about how to improve the planning process, instead of squandering \$3 million to give John Sewell a \$100,000-a-year job?

Hon Mr Cooke: I am not quite sure whether the question deals with disentanglement or the Planning Act. I found it interesting that the member who wanted to lecture the government benches about how long it took us to answer questions took about two and a half minutes to ask one. He wants to be leader of the official opposition. Give me a break.

I also wonder why the critic does not even understand that the Hopcroft report was not completed by his government; it was not completed at all. It was not completed until about six months after we were in government.

Mr Mahoney: That is what I said. The minister can read Hansard.

Hon Mr Cooke: We had to wait for that report. In other words, the previous government—

Mr Mahoney: Why does the minister not listen to the question?

Hon Mr Cooke: Why does the member not listen to the answer? Mr Speaker, he does not want an answer.

The Speaker: No. It would appear so.

MEMBERS' COMMENTS

Mr Mills: On a point of personal privilege, Mr Speaker: Like you, I am very fond of Ontario and our

traditions, as is everybody here. I took exception during question period to a member who is not here—I will not identify him—who referred to the province of Ontario as a banana republic. I ask that you attend to that, Mr Speaker.

The Speaker: To the point of order: I did not hear the remark.

Interjections.

The Speaker: Order. Will members come to order. Indeed if the member was present in the chamber at the time when you raised it, I would of course ask the member to reconsider the remark and to withdraw, but you stated that the member in question is not in the chamber at this time. I will be pleased to take a look at Hansard as well.

Mr Huget: On a point of privilege, Mr Speaker: I too have very great difficulty in accepting remarks made by a member of the third party, who is not in this House, who referred to the Ontario Provincial Police as brownshirts. That, to me, suggested that the police of this province should be compared with something out of Nazi Germany. I take great offence to those remarks, and I want that member to apologize to this House, to the people in this province and to the OPP.

Mr Eves: On a point of order, Mr Speaker: That is not what the member said or interjected. At least the members opposite, if they had been here for a while, more than a few months, would have the class to know that if they are going to talk about another member—speaking of parliamentary tradition over there—common practice is to do it when the member is present. If the members opposite do not want to be described that way, they should not act that way.

An hon member: He is here now.

Mr Eves: He is here now; he was not here—

Mr Stockwell: Mr Speaker, I was not in the chamber when the member stood up and made those comments. I never referred to the provincial police; I said this government was treating this police force as its own brownshirts and that it was a banana republic and it was a Third World way to handle a situation. If that is the way they want to do business, those are the kinds of accusations they are going to get and I am not withdrawing my statement.

Interjections.

The Speaker: Just a minute, relax, before we turn the heat up another notch.

Interjections.

The Speaker: Order. I would ask the House to come to order.

Before we can conduct any more public business, we need the House to come to order.

To the honourable House leader of the third party, indeed on the point of order, it is practice that if any member of the House has a concern with respect to anything that has been said by another member to raise it immediately, if possible, and of course when the other member is in the chamber.

I realize members are torn between not raising a point during question period because the clock is ticking. If at the end of question period the member in question has left

the chamber, then the other member is left at a disadvantage, and I fully realize that.

At the same time, I also realize that these contentious issues sometimes provide an atmosphere in which members say intemperate things, remarks which later they regret. It certainly does not elevate the public discussion in this chamber if members make references to places and times which are not part of the culture and history of our fine country. I would certainly ask all members to please temper their language.

Hon Mr Cooke: On a point of order, Mr Speaker: As soon as the member says something—and the member for Etobicoke West is now indicating again on the record that the government, and pointing to one of our members, sent the OPP into MPP's offices; he cannot do that.

Mr Stockwell: On a point of order, Mr Speaker—
Interjections.

The Speaker: No. The member for Etobicoke West, if you would take your seat and just relax.

Interjections.

The Speaker: Just a moment, please. There are often accusations made from both sides of the chamber and there is often a difference of opinion as to what is fact and what is not fact. It is not up to the Speaker to determine what is fact, but it is indeed up to the Speaker to determine if order can be maintained in the chamber.

I have also indicated to the government House leader as well as to others that I am examining the Hansard based on the concerns raised earlier, and I am most pleased to do so. I always enjoy reading Hansard in any event.

Mr Scott: Mr Speaker, on the point of order raised by the member for Sarnia: I did not hear the words either, but they may indeed have been said. I do not know. I think it should be brought to the attention of the House that the first person who ever used language like this in this House was E. B. Jolliffe, the leader of the NDP, the CCF at that time, who referred specifically to the Ontario Provincial Police as a Gestapo. If the government is getting a little of its own from the third party, it cannot really be surprised.

1500

Mr Kwinter: Mr Speaker, on the same point of order and on the comments of the government House leader: It is a matter of fact that the police did call on opposition members. It is also a matter of fact that the police just do not call on members unless someone asks them to, so it was obviously asked by either a ministry or a minister. In either case it is the responsibility of the government. That is the point.

Mr Stockwell: Mr Speaker, the point was raised that this government is suggesting we are accusing it of sending the police into our offices. I will be clear. That is the accusation that I am making. The government should make no mistake about it. If that is not the case, I would ask this government to come forward and prove it. Since to this point it has not done so, I can only assume its silence is an offer of guilt. That is why I make the charge.

Mr Huget: Mr Speaker, I still find references to Gestapo and brownshirts, whether made in this House today

or in the past, offensive. I would ask those members respectfully to withdraw those remarks. I believe they do not serve any useful purpose whatsoever.

The Speaker: To the member for Sarnia, I say that indeed I agree those references are not suitable in our chamber. If there is a member in the House currently who made such a reference, I would ask the member to voluntarily withdraw the comment.

Mr Harnick: On a point of order, Mr Speaker: Those comments may have been made to characterize the way the government uses the police, not to describe the police. It is a characterization of the way this government uses the police force in this province and nothing more.

Interjections.

Mr Harnick: I'm not ashamed of myself. It's you who used the police. How did they get there? Who sent them if it wasn't you? Who was it?

The Speaker: Order. Will the members come to order. The member for Willowdale and the member for Guelph, both of you just relax a bit.

Mr Fletcher: It was justified.

Mr Harnick: Tell that to the Leader of the Opposition, that it was justified.

The Speaker: The member for Willowdale, please come to order. I have already ruled on this. I have informed the House several times now that I am looking at Hansard and I will report back.

Mr Harnick: Hansard isn't going to help you to find out who sent the police in.

The Speaker: The member for Willowdale is being asked quite firmly to come to order. I do believe it is time to move on with the public business, if members are ready to do so.

MOTIONS

COMMITTEE SITTING

Mr Cooke moved that the standing committee on general government be authorized to meet for not more than two hours on the morning of Thursday, October 24, 1991, to consider its draft report to the House relating to the closure of land registry offices.

Motion agreed to.

PETITIONS

CHURCH OF SCIENTOLOGY

Mr Poirier: To the Legislative Assembly of Ontario:
"Whereas the province of Ontario is a leader in human rights and expresses, under the Human Rights Code of Ontario, that all persons, regardless of race, ancestry, place of origin, colour, ethnic origin, citizenship, creed, sex, sexual orientation, age, marital status, family status or handicap, have equal treatment; and

"Whereas I am a member of the Church of Scientology, a religious body which is accepted and recognized around the world, with churches in 90 countries; and

"Whereas the ministers of our church have applied for many years without result to the Ministry of Consumer

and Commercial Relations to be licensed to solemnize marriages; and

"Whereas our ministers are licensed in British Columbia, Alberta, Saskatchewan, Manitoba, Nova Scotia and Yukon, and our ministers' applications have been supported by many faiths in Ontario, such as the Baptist Conference of Ontario and Quebec, the Presbyterian Church of Canada, the Anglican Church of Canada and the Seventh Day Adventist Church of Canada; and

"Whereas I have protested our discrimination by being married in front of the Legislative Assembly this afternoon and having my marriage solemnized by a minister of another faith,

"I, Tereasa Leann Buttnor, as a resident of Ontario, petition the Legislative Assembly of Ontario as follows:

"1. To intervene and direct the Minister of Consumer and Commercial Relations to license our ministers to solemnize marriages, so that no one else in our faith suffers the indignity of being denied legal marriage within our church.

"2. To investigate the office of the Deputy Registrar General for unwarranted discrimination based on religion or other criteria so other faiths will not be hampered by prejudice."

I have signed the document.

OATH OF ALLEGIANCE

Mr J. Wilson: I have a petition to the Legislature of Ontario. It reads as follows:

"Whereas the Queen of Canada has long been a symbol of national unity for Canadians from all walks of life and from all ethnic backgrounds;

"Whereas the people of Canada are currently facing a constitutional crisis which could potentially result in the breakup of the federation and are in need of unifying symbols;

"We the undersigned respectfully petition the Legislative Assembly of Ontario to restore the oath to the Queen for Ontario's police officers."

It is signed by a number of good people from the Simcoe West provincial riding association. Once again, the Ontario PC Party goes to bat for Ontario police officers.

ASSISTANCE TO FARMERS

Mr Harris: I have a petition signed by 723 people.
"To the Legislative Assembly of Ontario:

"Whereas grain and oilseed farmers in the province of Ontario are experiencing the most severe shortage of cash flow in the history of the industry;

"Whereas the government of Ontario has failed to provide sufficient cash flow assistance to farmers during the transition from old ad hoc programs to new safety net programs in order that they may meet their financial obligations;

"We the undersigned petition the Legislative Assembly of Ontario as follows:

"That the government of Ontario provide an immediate 1% contribution to NISA (net income stabilization account) for Ontario producers and waive the one-third producer premium deduction with the Ontario grain

stabilization program and take other necessary measures to ensure the survival of the family farm in Ontario."

I too have affixed my signature to this petition.

WAYNE LAROSE

Mr Dadamo: I have a petition from my riding today with 2,185 names. It is addressed the Legislature of Ontario:

"We, the undersigned, do respectfully petition the chief coroner, Dr Young, the Solicitor General and any other parties concerned with this matter to provide answers by way of an inquest, which has been denied, into the death of Mr Wayne Larose, June 5, 1990.

"With due respect to the medical profession we, the undersigned, feel that due to a shortage in physicians, Mr Larose remained in hospital an unnecessary nine days before an attempt was made to correct his broken hip. This delay resulted in his death.

"We also feel that an official inquest should be requested of necessity, to relieve the family of all their questions surrounding the death of a very healthy husband, father and valuable citizen of the city of Windsor."

I would like to affix my name.

OATH OF ALLEGIANCE

Mrs Marland: This is a petition. It reads:

"To the Honourable Lieutenant Governor and the government of Ontario:

"Whereas the government of Bob Rae has placed our heritage in danger; and

"Whereas we live in a constitutional monarchy; and

"Whereas a symbol of our national unity and identity has been removed;

"We, the undersigned, petition the Legislature of Ontario as follows:

"To immediately restore the name of Her Majesty the Queen to the oath of allegiance sworn by police officers."

There are several hundred names here and I am happy to add my name to them.

1510

INTRODUCTION OF BILLS

ONTARIO WATER RESOURCES AMENDMENT ACT, 1991

LOI DE 1991 MODIFIANT LA LOI SUR LES RESSOURCES EN EAU DE L'ONTARIO

Mr Hansen moved first reading of Bill 141, An Act to amend the Ontario Water Resources Act.

M. Hansen propose la première lecture du projet de loi 141, Loi modifiant la Loi sur les ressources en eau de l'Ontario.

Motion agreed to.

La motion est adoptée.

ORDERS OF THE DAY

INCOME TAX AMENDMENT ACT, 1991 LOI DE 1991 MODIFIANT LA LOI DE L'IMPÔT SUR LE REVENU

Deferred vote on the motion for second reading of Bill 83, An Act to amend the Income Tax Act.

Vote différé sur la motion visant la deuxième lecture du projet de loi 83, Loi portant modification de la Loi de l'impôt sur le revenu.

1517

The House divided on Ms Wark-Martyn's motion for second reading of Bill 83, which was agreed to on the following vote:

La motion de M^{me} Wark-Martyn pour la deuxième lecture du projet de loi 83, mise aux voix, est adoptée :

Ayes/Pour—63

Abel, Bisson, Buchanan, Carter, Charlton, Christopherson, Churley, Cooke, Cooper, Coppen, Dadamo, Drainville, Duignan, Farnan, Ferguson, Fletcher, Gigantes, Grier, Haeck, Hampton, Hansen, Harrington, Haslam, Hayes, Hope, Huget, Jamison, Johnson, Klopp, Kormos, Lankin, Laughren, Lessard, Mackenzie, MacKinnon, Malkowski, Mammoliti, Marchese, Martel, Martin, Mathysen, Mills, Morrow, Murdock, S., O'Connor, Owens, Perruzza, Philip, E., Pilkey, Pouliot, Silipo, Sutherland, Ward, B., Ward, M., Wark-Martyn, Waters, Wessenger, White, Wilson, G., Winninger, Wiseman, Wood, Ziemba.

Nays/Contre—37

Arnott, Bradley, Brown, Caplan, Carr, Chiarelli, Cleary, Conway, Cousens, Curling, Daigeler, Eves, Fawcett, Grandmaitre, Harnick, Jackson, Jordan, Kwinter, Mahoney, Mancini, Marland, McClelland, McGuinty, Miclash, Murdoch, B., O'Neill, Y., Phillips, Poirier, Poole, Ramsay, Sorbara, Sterling, Stockwell, Sullivan, Tilson, Villeneuve, Wilson, J.

Bill ordered for committee of the whole House.

Le projet de loi est déféré au comité plénier de la Chambre.

TOBACCO TAX AMENDMENT ACT, 1991

LOI DE 1991 MODIFIANT LA LOI DE LA TAXE SUR LE TABAC

Resuming the adjourned debate on the motion for second reading of Bill 84, An Act to amend the Tobacco Tax Act.

Reprise du débat ajourné sur la motion visant la deuxième lecture du projet de loi 84, Loi portant modification de la Loi de la taxe sur le tabac.

Mr Tilson: I would like to make a few concluding remarks to the points I was putting forward yesterday with respect to Bill 84, which of course is the Tobacco Tax Amendment Act, 1991.

As I indicated yesterday, from the 1985-86 period to now the tobacco tax has been increased four times, and yesterday I referred to a number of other provinces, other

jurisdictions that have been doing similar increases with respect to their respective provincial tobacco taxes.

The 1991 budget increases for this province are expected to raise \$220 million for the government in this fiscal year and \$250 million in a full year. The reason I put these statistics forward is simply to ask what the government intends to do with this revenue. Is this strictly being put forward as a tax grab to pay for the massive expenditures being undertaken by this province, or is it being put forward to address other problems, such as cross-border shopping or the farming problems in the southwestern part of this province, specifically the tobacco tax and agricultural sector?

Is it with respect to health? Is it with respect to the smuggling issue that has been on the increase in the last number of years and that has certainly increased since the increases that were announced with the 1991 budget? Those are the specific areas in which I will be looking forward to asking the minister specifically what she intends to do, or what the government intends to do, with this tremendous increase in revenue that it is obtaining.

Is it going to be like the \$5 tire tax, which was put forward initially to deal with an environmental issue—"What are we going to do with all the tires that are being produced and discarded? Are we going to recycle them?"—the severe problem that was raised then. Of course, it has become common knowledge that the revenue from the tire tax has not gone to the environment at all; it has gone into the general revenue of this province. Is that the intent of this government, to put the revenue from the tobacco tax into the general revenue?

I mentioned yesterday the problems occurring in the agricultural industry, specifically in the Delhi-Tillsonburg area, where the whole agricultural industry has had considerable problems in the last number of years. I would like to relate to the members of this House, many of whom I am sure are aware of them—in case they are not aware, they should be—the problems the Ontario tobacco industry has.

There are currently 1,200 growers in the Delhi-Tillsonburg area of Ontario; this number is down from 2,500 in the early 1980s. I do not think one can say this has been caused specifically by this tax, because this has been a gradual decline in the tobacco industry.

There are two main programs for assisting tobacco farmers. There is the alternative enterprise initiative, also known as the AEI, and the tobacco transition adjustment initiative. The AEI, as many members know, is a federal initiative which contains funds to be distributed to tobacco producers. The money is intended to increase the production of alternative crops in tobacco areas. The second program, the tobacco transition adjustment initiative, is renamed Redux. This is a joint federal-provincial program to help farmers move out of tobacco and into other areas of employment.

The subject I raised yesterday was whether the government has studied the effect of this specific amendment, this specific tax on tobacco, and the effect it is going to have in this area. Has it studied that? I would hope the minister would put forward the results of that study if indeed she has done that. I doubt very much that she has. My assumption,

and I stand to be corrected, is that she is simply grabbing money to pay for other programs that have nothing to do with the tobacco industry and nothing to do with the other problems this amendment is creating.

As I indicated, Redux is a joint federal-provincial program to help farmers move out of the tobacco industry and into other areas of agriculture or employment. Redux, as I understand it, has to date put \$54 million into the pockets of tobacco farmers who have taken land out of production. There is \$14 million in federal funds in Redux. However, this money is currently frozen because the province has stopped funding the program.

Acknowledging that—and I assume the government is going to acknowledge that—the question is: Is any portion of the \$220 million that is being raised by Bill 84, that specific money this year, going to be put into Redux? The federal government is doing its part. What is the province of Ontario going to do to assist the farmers in southwestern Ontario? Is it going to do anything? Is it just going to move on and spend the \$220 million in its other programs that perhaps could be questionable in light of the devastating effect it is going to have in southwestern Ontario?

In response to the government's initiative to increase tobacco taxes in Ontario, it has been submitted, certainly by our side, that provincial money should be redirected to the Redux fund. Again, I challenge the minister to indicate today whether she intends to do that.

A further fact that I think should be considered before we further debate this bill is that, as the Ontario Flue-Cured Tobacco Growers' Marketing Board has pointed out, of the \$31 billion in money collected through Ontario taxes, only \$70 million has gone back into the industry. So they raised \$31 billion—not million—and \$70 million has gone back into the industry. What has happened to the rest of it? It is perhaps like other provinces, but why cannot this province be different?

Mr Chiarelli: On a point of order, Mr Speaker: Is there a quorum in the House?

The Acting Speaker (Mr Villeneuve) ordered the bells rung.

1531

The Acting Speaker: I have been advised by the Clerk that a quorum is now present.

Mr Tilson: The fact I was putting forward again emphasizes that I do not expect that very much of this money, this tremendous amount of revenue, the \$250 million, is going to be put towards any of the other problem areas this bill has created.

I have indicated that the Ontario Flue-Cured Tobacco Growers' Marketing Board has put forward statistics that of the \$31 billion in tax money that has been collected for tobacco taxes, only \$70 million has gone back into the industry. That has been the attitude of this government and, I would submit, the previous government as well, as to how to address the problem in the southwestern portion of Ontario. It has nothing to do with the health issue, which I propose to get into, or the cross-border shopping issue, which I propose to get into further. It has nothing to do with that. What are they doing to help the farmers in

southwestern Ontario? The Ontario Flue-Cured Tobacco Growers' Marketing Board has indicated that the future of the Ontario Ministry of Agriculture and Food's crop transition team, established to help farmers out of tobacco into other crops, is simply now in a state of limbo since the NDP has taken office.

I think it is time, if they are going to pass this bill, to give some indication as to how they are going to help the farmers in southwestern Ontario. They should not just take the money and put it into perhaps some of their other programs that are costing the taxpayers of this province a tremendous amount of grief.

The tobacco industry now employs some 20,000 people the province. That is currently. The support sector for tobacco farmers are the equipment manufacturers and the processors here in Ontario. These are not elsewhere; these are industries here in Ontario. We have had information, as I understand it, that a number of these companies have gone out of business in the past number of years, taking jobs out of an already depressed region. I think this government has to look not only at the agricultural section of this industry but at the equipment manufacturers, the processors, the whole process of curing in Ontario. All these people are being affected by this bill. I assume that when the minister sat down with the Treasurer and decided what to do as to how to raise money, in making the decision to put forward this bill she looked at that and how she will be addressing that problem.

Further, with respect to the farm income crisis, our party has had several emergency debates in this House, and all of it is relevant. Certainly this government has not put the emphasis on agriculture it should. There was an announcement made on October 1 that \$35 million in provincial funds would be directed towards the farm crisis. The Minister of Agriculture and Food announced that. He announced an additional \$11 million to the \$50-million farm interest assistance program. He announced a \$15 million payment to grains and oilseeds producers. He announced \$5 million to producers of edible horticultural product crops, \$3.5 million to farmers experiencing financial stress due to the drought conditions of 1991 and \$1 million to apple, onion, honey and fur producers. But there has been nothing in the announcements that I have seen that has anything to do with alleviating the problems that are being caused by Bill 84. We have been very critical as to the small amount of assistance in other areas, but there has been nothing with respect to assisting the tobacco industry.

I will not spend any further time with respect to agriculture. I am sure other members in this House will. I will be interested in hearing from some of the members from southwestern Ontario. Particularly from the Tillsonburg-New Delhi area, correspondence has come to many of us expressing the fears of and the effect on these many families who are being affected by Bill 84.

The issue with respect to smuggling has been raised. Statistics have come forward that cigarette smuggling across this country has become a \$500-million-a-year business. The Imperial Tobacco report estimates that smuggling represents \$370 million lost annually. These are

statistics, of course, from across the country. To be fair to this government, it cannot accept the full blame, because this type of philosophy of simply taxing the tobacco industry is widespread across the country. The question is, what are they going to do about it? What are they going to do about the problems with respect to smuggling, knowing that smuggling is going on, knowing that all one has to do is go into many plants where there is transportation back and forth across from the United States in buses and automobiles? What are they going to do about that?

There was some initiative put forward, as I understand it, with respect to new tear strips which indicate duty paid that were introduced in the fall of 1990, making it easier to detect smuggled tobacco, but that has nothing to do with the tobacco that is being sold like alcohol in the good old days of Prohibition. It is going on. The question is, what are we going to do about it? Again, I assume that if they are levying this type of tax, they have addressed this problem, they have studied it, they knew it was going on before they introduced Bill 84. I assume they have looked at that, and I will be looking forward to hearing how they intend to deal with the smuggling issue.

1540

Just before I leave the issue of smuggling, there have been a number of comments made in Canadian newspapers across the country talking about the whole attitude with respect to taxing tobacco. One is from the Ottawa Citizen in June of 1990: "Raising cigarette taxes is a popular way for a government to get more money without losing votes, but eventually they will kill the cow that gives the milk, and then what will they tax?"

If the fiscal policy of this government is to rely on taxing this industry, knowing full well that the industry is going to be killed by Bill 84, eventually the government will tax the industry to such a degree that it will simply disappear or it will become very negligible.

The question is, studying the government's fiscal policy, then what will it tax? If the purpose of this bill is to kill the tobacco industry, the government should come out and tell us, "We're taxing it because we're concerned about the effect of smoking, the whole issue of whether smoking causes cancer." Of course there are statistics after statistics that say it does. If that is the case, let's hear some policy decisions from this government on the health subject. That problem is not going to go away simply because the government is going to tax the industry to death. What will happen is that we will have a whole slew of more illegal smuggling going on, contraband cigarettes being brought into this country. How is the government going to address that? So there is the issue of health.

Finally, the issue of cross-border shopping: Obviously these people will stand up and say it is because of GST and free trade, but there are other things I will be interested in hearing members speak on. I am sure they will spend most of their time saying that cross-border shopping is solely the result of those things, but there are other things that need to be addressed: the other bills that are being put forward, the effect of the gasoline tax. What is the common reason that goes through your head as to why people go down to the United States to shop? One is that they can

buy cheaper fuel there. Another is, they can buy cheaper alcohol there. They can buy almost everything cheaper because of the tax structure that is being put forward by the governments of this country, and that includes this government.

This government must not go pointing fingers at other governments; it should point fingers at itself. Look at the series of bills the government is putting forward now. I ask members to look at Bill 84 and ask themselves whether Bill 84 in any way whatsoever has any connection with respect to the cross-border shopping issue. Do people go down to the United States to buy cigarettes? If members say no, they have problems, because I suggest to them that is one of the many reasons why people go down. Certainly they go down to buy alcohol. They go down to buy clothing. They go down to buy equipment. It may be as a result of taxes from other jurisdictions, but they certainly go down to buy cigarettes.

People from other countries, not just the United States, who come to visit us are simply shocked at the cost of tobacco in this country. Again, I do not think we should ignore the health issue. We cannot ignore the health issue because that should be addressed by the government, but the fact is that people buy cigarettes. People are hooked on cigarettes. Young people are hooked on cigarettes. What is the government going to do about that? I suppose one theory is that the government will make it so expensive that they will not buy it. It is not working. Members should just talk to any of their children who are going to the schools around this province and ask whether smoking has been reduced in the schools. I think they will find that many of the children of members are still continuing to smoke even though it may be a health hazard. The idea of raising the cost of cigarettes is not working.

Getting back to the issue of cross-border shopping, of this tremendous amount of revenue that is being generated, the \$220 million this fiscal year and \$250 million for a full year, if the government acknowledges that Bill 84 is part of the problem of cross-border shopping—I do not see how it can help but acknowledge that—what percentage of the funds is being used to assist the communities in our border communities that are suffering, the retailers who sell tobacco? Rightly or wrongly, they sell tobacco. That is another debate, which presumably will come forward in some health initiative put forward by this government, but currently we are debating Bill 84 and what the moneys are going to be used for.

I will bet that the minister will simply be silent on the subject and will not say that it is being addressed specifically to deal with health, to deal with cross-border shopping, to deal with smuggling, to deal with solving or assisting the agricultural problem in southwestern Ontario. My guess is that she will not say that at all. She may say it will be indirectly, but of the \$250 million for the next full year or the \$220 million for this fiscal year, what portion of that will it be and how is she dividing it up? Is she dividing it up to solve these problems, most of which are pre-existing?

I am not saying that these specific problems were caused by Bill 84, but Bill 84 has added on to these

pre-existing situations. They are making them worse. They are making the farmer worry where his next mortgage payment is going to come from. They are making the employee who is working in the manufacturing of equipment in the tobacco industry worry about whether he is going to be laid off, and whether there are going to be more firms closing up and moving to the United States where the tobacco industry seems to be flourishing. I hope we do not hear announcements in the coming months of segments of the tobacco industry closing up, worrying what we are going to do with those people who are losing their properties or their jobs. It is a great concern that the government puts forward these types of bills, these series of bills, and has not studied the overall impact.

I do not wish to debate at this time any further areas of the subject. I will only again summarize that I am concerned with the subject of health and the government's lack of policy with respect to the effect of smoking on health, whether it be firsthand smoking or secondhand smoking, that whole area. I am sure there are many in this House and medical people in this House who could debate for hours the effect of smoking as a cause of cancer. I am sure there are many in this House—perhaps you yourself, Mr Speaker—who could spend many hours debating the effect on the downward turn of the tobacco industry and the farmer in southwestern Ontario.

I leave it for people of more authority than I to deal with those areas. I encourage more people to debate and discuss their views on the effect of Bill 84 on the whole issue of cross-border shopping and the smuggling that has resulted from that issue.

The Acting Speaker: Questions and/or comments, the honourable member for—Victoria-Haliburton.

Mr Drainville: Mr Speaker, I am surprised, after looking across the House at you for so long, that you have forgotten my constituency of origin.

I would like to respond very quickly with just a couple of comments. It is certain, as usual, that the member for Dufferin-Peel has raised a number of issues that are worth mentioning in such a debate on this particular matter. I would like, though, to challenge him on one little part of his presentation. He quite rightly alludes in his comments to the fact that other provinces are also using a tax on tobacco as a means of raising revenue and this is something about which he says—I am paraphrasing him when I say this—that just because they do it does not mean Ontario has to do it.

1550

I guess all I want to do is put it into some perspective here, because this is not something that began with the New Democratic Party. For 43 years, the Progressive Conservative Party here in Ontario taxed tobacco. It may not have been for 43 years, but for a substantial period of that 43 years they certainly taxed tobacco. I remember very well those halcyon days in the past when, as a citizen, I was reading Hansard and was engaged in the affairs of this province, reading of these incredible increases in the amount of taxation the Progressive Conservative Party was raising for the people of Ontario through this form of taxation. Nowhere in

the member's statement did he give any indication that this had been a historical reality on the part of his own party, the party he is a member of and the party he represents.

I must say that is an omission that really needs to be corrected. Of course, if he is saying that in the past his government or his party was wrong in doing that, then he should admit that, and we, being open-minded individuals, are willing to hear that at any time.

Hon Ms Wark-Martyn: I would like to make a few comments to the member for Dufferin-Peel on his presentation this afternoon. The revenue that is collected for the tobacco tax goes into the consolidated revenue fund, which pays for our health, social and education programs here in the province.

He also mentioned the tire tax and what we have done with that. I would like to inform the member that the Minister of the Environment announced a few short weeks ago a \$7.9-million infusion into the National Rubber Co to pay for recycling tires. I can say that on that end we are doing something with the tire tax and we are letting the people of Ontario know that their tax is going towards what it is supposed to go towards.

As far as meeting with the tobacco farmers and the tobacco industry is concerned, I have done that. The Treasurer has also done that and I have asked the Minister of Health to meet with them and talk about tobacco and how it affects our health and our health care costs in Ontario.

It might also be pointed out that the federal government increased its tax by three cents a cigarette in the 1991 budget, so perhaps the greater part of assistance to tobacco farmers should come from that level of government, and I would encourage the member for Dufferin-Peel to speak to his counterparts in Ottawa about that.

I would also like to inform the House that the ministry began a retail inspection program as of March 1991. We have inspected over 4,000 retailers at this point that I have statistics on. Of those retailers, we have found 25 where we have issued penalty assessments three times the tax value in these cases.

I would like to conclude my remarks this afternoon by also informing the member that cross-border shopping, if he noticed in the press today, has decreased since our summit meeting this summer on the cross-border shopping issue.

Mr Jordan: Actually Bill 84 will increase the cost of a pack of cigarettes by 30 cents per pack. These taxes are hurting our economy and are actually encouraging criminal activity. Many feel they are infringing on the civil rights of thousands of people. Tax on a package of 25 cigarettes in Windsor is \$4.38. The same package in Detroit has 74 cents in tax. Cigarettes and alcohol are cited as the major reasons driving Ontario shoppers across the border into the United States. As my colleague has previously stated, this, along with the gasoline and the general taxing policies of this government, is really encouraging people to go across the border for these items.

It is also a major cause of cigarette smuggling and it is becoming one of the major areas of criminal activity in this province. The information I have states that it is up

more than 40% in the last two years. As stated by one of the speakers yesterday, you can buy illegally imported cigarettes within blocks of Queen's Park. You can have a carton of smuggled cigarettes delivered to your home in this city for \$20. Buying a carton legally could cost you as much as \$50. This taxation is further encouraging this type of activity.

Mr Cousens: I would like to go on the record, because when the member for Dufferin-Peel has an opportunity to share some of the comments he had in this presentation, it gives us an understanding that quite frankly is lacking on the other side of the House and from the Liberals. When the Liberals were in power, all they could do was raise taxes. Part of the problem the New Democrats have today is that they have to live up to all the promises and failures of the Grits while they were in power with their spending spree. Now these people, though they do not know how to cut back on their spending, have to find ways of increasing taxes. They are wrong to do so, but the fact of the matter is that when my friend the member for Dufferin-Peel is able to come forward in this House and articulate the situation, the problem, as well as he has, it reflects very well on the people from his riding.

It also says something about all the other ridings that did not elect a Tory. I think it is high time they began to think about it, because every time they go and pay more taxes, what this gentleman has done is remind them of the fact that there are other choices out there, and the other choices are ones that are not going to cost them as much money. That is the kind of thing the member for Dufferin-Peel has been raising in his presentation. I think we are looking at a House that needs more people like the member for Dufferin-Peel, who has the kind of experience and background that he brings to all the issues in the House, and I want to thank him for his excellent remarks this afternoon.

Mr Tilson: Just very briefly on two issues raised by the member for Victoria-Haliburton and the minister, with respect to the minister's comment that referred to the tire tax, the whole purpose of my address to this House was to simply ask the question, specifically what are they doing with the \$250 million? What are they going to do with that? Is it going into other areas? I am sure they could stand up and say, "Yes, there are some moneys going to cross-border shopping and some moneys going to the schools to educate our young people with respect to the hazards of smoking," and they could even refer to some examples where moneys have gone to southwestern Ontario to assist some of the farmers there, although the statistics I have read to this House indicate that there does not appear to be any, or very little, going to southwestern Ontario.

The whole purpose of my address comparing it to the tire tax was that when you look at the tire tax, we have yet to see statistics showing specifically what they are doing with the vast amounts of money that have been raised from the tire tax. Is that going to the environment, or is it going into the general coffers that allow them to spend on the various expensive programs that they have been initiating?

That was the purpose of that question, simply to ask, where is the \$250 million going?

With respect to the comments made with respect to our party and other provinces raising revenue from tobacco taxes, of course that was my whole point in reading that into the record. That party has maintained that it is going to be different, that it is not going to continue the mistakes of the past or the mistakes of other provinces, "This party is going to be different." They are no different from the rest of the provinces of this country in raising money and destroying the tobacco industry in this country.

Mr Winner: I suggest the members have to be mindful of the veritable challenge this government faced last April in the face of declining revenues and soaring costs, \$6.2 billion over the last fiscal year. The government has two choices, as everyone knows: It can borrow the money—members of the opposition have already chastised this government for borrowing too much—or the government can raise taxes.

This particular tax being raised under Bill 84 serves numerous purposes. First, it is part of a budget designed to ease us out of a recession, return people to work and get the economy moving again. We do not fight the deficit on the backs of the poor and unemployed. We design a budget that is reasonable and compassionate, a budget for difficult times.

1600

I remind the members of what John Kenneth Galbraith had to say in an article entitled *How to Tame the Recession*. He said:

"With the notable exception of the province of Ontario, governments everywhere are tightening their belts, curtailing services, reducing payrolls, furloughing workers or promising to do so. Individuals immediately affected, needless to say, have their spending promptly reduced. Many, under threat of unemployment, are impelled to retrench. So are those receiving welfare and other payments not being curtailed or threatened with curtailment.

"It is in this regard that the Ontario government is leading the way. It has decided to cut taxes for people with low incomes"—as we have seen with Bill 83, just passed—"to provide more income for social assistance, affordable housing and capital projects, to offer loans for businesses hurt by the recession and to look seriously, moreover, at creating its own pool of investment capital to help reinvigorate the provincial economy."

Our challenge as a government was threefold: How were we to deal with the \$3.5-billion reduction in federal transfer payments? How were we going to maintain existing programs, without speaking about improving and extending them, which would cost us \$3.2 billion? Finally, how were we going to deal with the wildly escalating costs of social assistance?

This budget, as I noted, was designed to put people first in building a productive and more humane community. It was a budget committed to economic renewal, a fresh, new economic vision of sustainable prosperity to move us out of the worst recession in 50 years with an environmentally and socially sustainable, renewable economy.

That is what the \$250 million raised under the Tobacco Tax Act is designed to create. It is a tax designed to ensure that necessary revenues flow through to meet this government's growing expenditures and contain the deficit at \$9.7 billion. This legislation put before the House represents, I submit, a concerted effort both to contain tax increases for the middle class and to reduce taxes for our low-income earners.

Bill 84 is certain to reduce our health care costs. It is a positive step, as noted by our Treasurer, towards reducing the 13,000 premature deaths in Ontario every year.

Let's not forget that it was the Liberal government, during much more prosperous times than we are currently suffering through, which raised the tax rate on cigarettes in 1988 by 35.3%, and again in 1990 by 26.1%. Our rate of increase is 34.6%, certainly less than the Liberal increase in 1988.

Dealing specifically with the programs this money is being spent on, money is being used to create jobs in a climate of burgeoning unemployment. The anti-recession fund created 70,000 jobs. The anti-recession fund has translated into \$4.3 billion spent on capital projects this year, including hospitals, schools, water and sewer systems and transit networks; funding for research; funding for development so that we may better compete internationally, as the members for the third party constantly urge; to improve the funding that is flowing through Innovation Ontario to invest in the growth of high-technology firms, and research and innovation to change our products and to change our production processes.

Recently \$35.5 million has been announced to aid our farmers who are hard hit by drought and diminishing incomes. Money raised through this revenue tax is flowing through to the farm community.

Furthermore, taxes have been flowed through to fund social assistance reform to get one million members of Ontario society back to productive work and off welfare. There is \$250 million being spent to improve welfare benefits to those in greatest need. Money is also being used to help people get back into the labour force, to increase the fairness and accessibility of our welfare benefits and to assist municipalities with funding social assistance.

At a time when 250,000 jobs have been lost in Ontario and social assistance is up 40%, to \$1.4 billion, should there be any question as to why a modest increase in the tobacco tax should take place to ensure that those who are in greatest need receive the assistance they so vitally need in this troubled time?

Money is also being used to create affordable housing, 35,000 units of co-operative and non-profit housing to support the homeless.

What about the prevention of violence against women? Money that was never spent before is being spent to expand the shelters, to improve counselling and prevention programs, to provide immediate social assistance to battered women, to expand pay equity, to improve day care and to introduce employment equity into the workplace.

What we need is appropriate and reasonable spending so that we can work towards social and economic renewal as a basis of recovery and so that we can create jobs,

retrain workers and encourage new forms of productive investment. We need to secure well-paid jobs at high levels of employment. We need to provide that the benefits of growth are shared equally. We need to ensure that our economic renewal is environmentally and socially sustainable.

This government is promoting the recovery of the manufacturing base. It is ensuring that industry is productive and competitive as we move into the second millennium. We need to enhance workers' skills. We need to make them more adaptable. We need to adopt new technologies and managerial practices. We need knowledge-based economic restructuring and innovative investment capital for emerging businesses.

We—labour, business and government—can be true partners in economic renewal, but only if all members of the House realize that revenues have to be maintained at a modest scale to ensure that the kinds of social spending programs that are indeed progressive and in keeping with the times can move ahead.

1610

Mr Cousens: I cannot believe this group of people elected by the people of Ontario. The people of Ontario, who are usually very intelligent, have ended up putting in place people who do not know the balance between what industry is all about and the social needs of our province.

The member expounds eloquently about the social agenda this government has. He expounds about what it is doing to help certain municipalities, but his speech does not bring with it any kind of significant commitment to the business community to help get the economy going. If people had more confidence in the minister and his government, we would see more investment and an expansion of jobs in this province. Instead, we are seeing unemployment levels increasing and the general economy on the decline. It takes leadership at the highest level.

I can only suggest that the honourable member, whom I know personally as a friend, should be looking at more than he is. I happen to like the member. He happens to fight for some good things in his community. We have talked about those things. I want to see this member and other members of the New Democratic caucus bring a little more strength. The pendulum keeps swinging farther and farther to the left and what we need to do is bring it back a little. That would mean a balance that respects the needs of the business community. This government never brings that up. They do not know how to talk about it. They do not know what a payroll is all about and they do not seem to understand the drastic problems that exist out there in our economy right now.

I challenge the members of the New Democratic caucus to alert themselves to the real needs of our society. It is not to increase taxes to the level they are. It is becoming something we need to control. We need to control spending and we need to control the expectations of the public, to bring these things under control. The fact of the matter is that this government is not beginning to do that. The member's speech tells us that.

M. Bisson : Merci beaucoup. C'est avec un grand intérêt que j'ai écouté mon collègue le député de London-

Sud, qui a parlé un peu de la situation des taxes. Toute cette question autour des taxes est vraiment une question qui tracasse n'importe quel gouvernement dans n'importe quelle province ou juridiction où on se trouve.

D'un côté de l'équation la population vient nous voir, nous en tant que députés, en nous disant : «On demande des services. C'est important qu'on donne les services nécessaires à ma communauté.» Il faut assurer qu'on ait en place un système d'éducation, des systèmes médicaux, toutes les affaires que veut le monde pour avoir une société avec un peu d'équité. De l'autre côté, comme n'importe qui de n'importe quel gouvernement dans n'importe quelle juridiction, on a le problème d'un monde qui nous dit, «On ne veut pas payer ça.»

C'est vraiment une des grosses questions qui tracassent n'importe quel gouvernement. On se retrouve, en 1990, au seul d'une économie globale. Comment être capable, comme gouvernement, de mettre en place les revenus nécessaires qui donneront les services nécessaires pour appuyer notre société, et, comme l'a dit le député de Markham, mettre en place les programmes nécessaires pour appuyer le secteur des affaires de la province ? Je pense que c'est exactement ça qu'a dit mon collègue le député de London-Sud. D'une manière ou d'une autre, un gouvernement a besoin de payer le prix pour mettre ces services-là en place.

Il n'est pas facile pour n'importe quel gouvernement de trouver les ressources nécessaires et d'avoir de l'argent en place pour payer les programmes. Je pense que la plupart des députés ici, comme la majorité de la population de l'Ontario ou de n'importe quelle autre province, vont dire, «Des taxes c'est correct, mais parle pas des taxes à mon porte-feuille.»

C'est vraiment là le problème dans lequel on se trouve, comme n'importe quel politicien dans n'importe quelle juridiction du Canada, d'ailleurs : de quelle manière peut-on aller rechercher les ressources naturelles dont on a besoin pour être capable de payer nos services ?

Le président suppléant (M. Villeneuve) : Merci infiniment au député de Cochrane-Sud pour sa participation. Further questions and/or comments?

Mr Bradley: One of the items that was not noted, as it should have been, with the same emphasis it has been noted by members in the opposition, is the effect of this tax on cross-border shopping. Many people who reside in areas which are close to the border, or who know of people in those areas, know that there are loss leaders that send people across the border. There are things which attract people almost on a weekly basis to do their shopping in the United States. One of those is the cost of tobacco products. Another is the cost of alcohol, and meals as a result of the cost of alcohol. Third, and probably the most important, is the cost of gasoline. There are many people now who make a habit of going over to the other side of the border to do their shopping. That is what leads them in that direction.

Few people would quarrel over the years with what we call sin taxes. Ordinarily an easy tax to put on is the one on alcoholic beverages. Second is the one on tobacco. Both of them have a detrimental health effect. One would make an

argument for an environmental tax in terms of a tax on gasoline, or an energy conservation tax. All these, in a certain context, probably were tolerable to the public. What has happened, however, is that because of cross-border shopping, because of the not millions but billions of dollars that are going to the United States to purchase products, many people now understand that we have reached the maximum in terms of taxes on these products.

That is why those of us in the opposition have advocated that these taxes be withdrawn. Of course, there will also be a diminishing return on them, but that is another issue. My main plea to the government is to look at the fact that it is sending people to the United States to shop by increasing taxes on what I call the loss leaders.

Mr Stockwell: It has become painfully obvious that the issue the member forgot to address is exactly what his government is doing for the farmers who were growing tobacco. Maybe he will offer up some particular pearl of wisdom in his response. I would like to hear it. I think the farmers in southwestern Ontario are waiting with bated breath. They are very concerned.

Although the member addresses a lot of issues with respect to pay equity and so on, he does not deal with the real issue involved here. If he is prepared to raise taxes, he has to give people the opportunity to convert their farms to something other than what he is really driving them out of the country to buy. I do not think anyone is going to give anyone any argument about the fact that people are leaving this province to buy tobacco because it is cheaper. It is dramatically cheaper. If that is a decision the government is prepared to make—and I guess it is, it increased the taxes—then he has to offer an alternative to the farmers in southwestern Ontario.

My friend across the floor has offered nothing to the farm family, nothing to the growers, nothing to the people attached to the industry about what they are supposed to do in this economic uncertainty, with a declining base of consumers and a government that is very clearly opposed to the consumption of this product.

I think the other point that must be made to the member for London South is that, I agree with him, resources are very hard to come by. He suggested it is very difficult to find places where he can raise taxes. I am not saying that is not true too, but with all due respect, it is neither fish nor fowl.

If the government is prepared to put forward some serious recommendations and raise the taxes of the people in this province, it should have been prepared to tax the people for it. I firmly believe the people should be taxed for the government they get. If the government was truly fair and suggested that all its initiatives, which cost a tremendous amount of money, should be funded, they should be funded from the tax base. But not only did the government increase taxes to selected industries, it ran up the debt by some \$9.7 billion. I do not think the government made a decision. It offed the decision on to future generations, which I think is the most reprehensible thing it could have done.

Mr Winninger: I certainly appreciate the mixed commentary from the member for Markham. He is certainly pleased with some of the initiatives this government has taken. He has said on more than one occasion that he wants to see more done on behalf of the environment, and certainly the kind of money that is being raised through Bill 84 by way of revenues will help fund the kind of environmental remedial work the member for Markham has so often and so cogently called for.

The member for Markham and his party did not have a monopoly on private business. I ran my own law firm. I know what it means to meet a payroll each week; I know what it means to meet expenses. Quite frankly, when your costs are soaring and your revenues are down, you have to seek ways of ameliorating that situation. You either raise taxes on a modest level or you go out and borrow the money. In this time of recession, the member for Markham will understand that one has to do both.

In response to the remarks made by the member for Etobicoke West, certainly I do not hold any intimate knowledge of farmers in the agricultural community and I would rather defer to some of my colleagues who represent rural ridings and who have a better grasp on the issue facing tobacco farmers.

I come from London. There are many tobacco communities nearby such as Delhi and Glencoe. I am not diminishing the threat they are facing these days and the threat that all farmers are facing at a time when their revenues are declining, when they are dealing with the ravages of drought and an insensitive federal government that is not providing the kind of assistance that this provincial government has committed itself to.

1620

The Acting Speaker: Further debate on Bill 84, An Act to amend the Tobacco Tax Act, the honourable member for Ottawa East.

[Applause]

Mr Grandmaitre: Well, isn't that great?

First, I want to let members know that I am not a tobacco farmer but I am very much interested in the taxing of the product.

I know exactly what the minister is going through. I have sat in her chair previously. She has to put through these bills, which are not easy to put through when you are talking about increasing taxes on tobacco, gasoline, liquor and all these great things that need to be taxed. But there is a limit to taxation. Even the former Minister of Revenue will agree that there is a limit to taxation.

What really concerns me is the way we are going about taxing tobacco. I know this government needs dollars. It was pointed out by the member for London South that they need to balance their budget. I do not think by increasing the tobacco tax, they will balance their budget, but all these needed dollars are necessary to provide us with a reasonable way of living.

It seems every government on this side of heaven loves to tax three substances—let's call them substances—liquor, gasoline and tobacco. I know when we speak of tobacco, we are talking about a product that kills people.

Studies have indicated very clearly that every year 13,000 die prematurely because of tobacco misuse—and I use the word “misuse.” This government is not only satisfied to tax people who smoke, and tax them dearly, but it has now instituted a Fair Tax Commission that will make sure that when you die, you will pay a death tax. So they will get you coming or going. They want to make sure of this.

I think the Ministry of Health is doing great things promoting good health. I am told that 15% of our population quit smoking last year, and this is good news. But this is not good news for Ontario or for the present government, because it takes advantage of losing smokers, 15% of our population, every year. What they are doing is increasing the opportunity of creating more revenue by increasing the tax, as they did the last time around, from 1.6 cents per cigarette to 6.5 cents per cigarette.

There is a limit, as I pointed out, for the simple reason that people who quit the habit quit buying tobacco. There are repercussions, and our farmers are suffering because of the lack of smokers or the lack of tobacco use. I think it is the responsibility of this government to provide adequate funding for tobacco farmers who are going bankrupt every day in this province. It is shameful for this government not to provide adequate funds not only to tobacco farmers but to all farmers in Ontario. I realize that only a few weeks ago a \$35-million program was instituted to improve the quality of life of our farmers, but this is not enough, especially when we look at the record taxes that are being raked in by this government.

Mr Duignan: Established by the Liberals.

Mr Grandmaitre: The member across is saying it was started by the Liberal government. I do not think it was started by our government. I think it has been perpetuated by every government for the last 120 years, ever since tobacco has been on the market. I dare the British Columbia socialist government and the Saskatchewan government not to increase tobacco taxes. That is the first thing they will do. I hope they will be using the funds for better things than this government will.

By increasing the tax by close to five cents per cigarette, this government will amass a \$1.04-billion revenue. As I pointed out, \$35 million will be going to help farmers earn a better living. I think more money should be provided to farmers converting to another crop.

Talking about a tax grab, I have to address the issue of cigarette and tobacco smuggling. This government has to do a better job in stopping smugglers. It is happening every day. I know in the past a former Liberal government tried to introduce a tobacco-marking system. Is it working? I am asking the minister to respond to my question. Is it working? How effective is it? I know the tobacco manufacturing people spent \$10 million of their own money to institute such a program, and I think a worthwhile program.

I know the ministry is losing millions of dollars every year. The ministry knows this; the minister knows this. I think the minister should provide her ministry with the adequate tools, the adequate human resources to prevent the tobacco smuggling that is happening every day. I

would like the minister to tell me if she or the ministry have hired more tobacco inspectors. I would like to know. I would like to get an answer to my questions, and I have more questions.

As I pointed out, the minister has a tough job in introducing these bills and pushing them through, but I am asking her questions today. I have six questions to ask the minister.

I would like to know how helpful the tobacco marking program is. Has the ministry hired more tobacco inspectors? How many charges have been laid since instituting this new program? Why not appoint tobacco manufacturers as tax collectors? If we were to appoint tobacco manufacturers as tax collectors, I think we would prevent smuggling. I am not saying we would abolish smuggling, but I think we could cut it back by 75% or 80% if taxes were paid right at the manufacturers' level. In other words, we should make them tax collectors. I remember this is something we were looking at in my own day, but no answers were given.

Also in my day, we had a problem with Indian reserves and I hope the ministry has solved this problem. I know a lot of things were happening on Indian reserves. A lot of tobacco and cigarettes were being sold untaxed, not only from Ontario but also from other provinces.

1630

I know that most of the answers the minister will give to my six principal questions will be no. If the answers to my questions are yes, her ministry will be doing its job, the job it is supposed to be doing, and that is to collect taxes in Ontario. Why should we introduce legislation if we are not going to follow through? Why can the ministry not hire the human resources needed to do a good job? I think it is very unfair to the ministry.

Maybe the minister thinks I am speaking in favour of her bill. I am not, but I am sympathizing with her people, because they simply cannot do a good job when she does not have the human resources. She has been cutting back on her human resources budget every year, and this year she is doing the very same thing. She is cutting back. If it is not on tax collection, it is on assessment. I know what is going on in her ministry.

On tobacco smuggling, I would like to quote from an investigation that was conducted by the Peat Marwick Thorne forensic and investigative accounting department. They estimate that the total federal loss of revenue from untaxed and smuggled tobacco products totals \$350 million for over 12 million cartons of cigarettes. Ontario should have a share totalling at least five million cartons. That is about a 40% share of the smuggled cartons, based on our population. The provincial tax on cigarettes per carton, including our provincial sales tax, is \$13 per carton. The federal tax on cigarettes per carton, including GST, is \$18.08.

Let's go back to the five million cartons referred to as Ontario cartons and multiply this by \$13. It amounts to \$65 million in lost provincial revenue. That is close to half of what they gave farmers to resolve their problems. Five million cartons at \$18.08 represents \$90.4 million in lost

revenue, for a grand total of \$155.4 million. That is what it adds up to. Why? Because of lack of enforcement.

I think smuggling and cross-border shopping go together, because most people smuggle cigarettes when they shop in the United States. This is getting to be very expensive, not only for the tobacco growers in Ontario but for all products that are being bought in the States and transferred or driven through the border of Ontario free of tax. This government has to do a better job in enforcing our present laws. We are losing money. I think it is very unfair that other people in Ontario have to pay extra taxes because of lax laws or lack of enforcement of our present laws. I think it is a crime that this government knows about these problems but is not reacting to them.

I could go on and on, but my throat is drying up. I would just like to remind the minister that she has to do a better job and the ministry has to do a better job.

I would like an answer to my six questions. If she needs help to twist her deputy minister to get more people to enforce her legislation, I am offering my services and she can keep her salary. We are not here to take advantage of taxpayers. We are simply offering good opposition.

Mr Jordan: I was interested in the comments made by my colleague, but I find it is really just another way of hammering the Ontario farmer. Besides the income loss and the job loss, the farming community is receiving no incentives from this tax. The government is taxing tobacco and is putting the farmer out of business, but there does not appear to be any proof that some of the tax money is being used to do research on tobacco plants. Perhaps there are other uses for the plant that would not be harmful and could sustain the industry.

In my riding of Lanark-Renfrew, companies like Somerville Packaging in Smiths Falls, a division of Paperboard Industries Corp, are constantly under the gun, facing legislation like Bill 84. The 171 plant staff and 21 office staff rely exclusively on the tobacco industry. The plant manager confirms that any investigation of alternative packing or manufacturing has been done completely at the company's expense. There has been no government assistance whatsoever to return some of the tax that has been placed on this product. The government must think through such legislation before bringing it in. It must consider the importance of 192 jobs in communities like Smiths Falls in eastern Ontario.

The increase in taxes is expected to raise an additional \$250 million. This revenue goes directly, as we understand it, into the general coffers. Not a penny is set aside to encourage the manufacturers and tobacco farmers to explore alternatives to tobacco production.

Hon Ms Wark-Martyn: In my constituency of Port Arthur, I live in a village called Murillo and we have a baseball team out there called the Murillo Mud Hens. They are very good. After three strikes, you are out. This is the third member on Bill 84 who has asked about the marking program and what our retail inspectors have done so far, so I am going to tell him again and hope that all the other members who wish to speak on this bill who are not in the Legislature at this time, but are going to speak, have this

answer so they do not bring it up again, as if they are not listening to the replies they are getting in the debate.

The retail tobacco inspection program began in March 1991. Since that time, 5,266 retail tobacco outlets have been inspected by ministry inspectors. Of these, 4,953 retailers have been found to be fully compliant; 288 retailers have been found to have small quantities of unmarked cigarettes which they were ordered to remove. Another 25 had slightly larger quantities of unmarked cigarettes in stock, and penalty assessments of three times the tax value were issued in these cases.

I would also like to inform the member for Ottawa East that, yes, we are working with native reserves, with the Attorney General also involved, regarding native tobacco quotas, so that issue is being dealt with.

Also, I would like to remind the other member who spoke about the \$35.5 million that the Minister of Agriculture and Food announced to go to all farmers that the minister is working with the tobacco farmers. He is listening to the issues they have and is hoping to have some answers and some solutions that he can bring back to us as a cabinet to help the tobacco farmers.

The Deputy Speaker: Are there any further question or comments? If not, the member for Ottawa East has two minutes to reply.

Mr Grandmaitre: I think the minister tried to answer some of my questions, but I am going to repeat some of them. Why not consider appointing tobacco manufacturers as tax collectors? That is very clear, very plain. How many new inspectors have you hired since you have been sitting in this office? Are you taking notes of those questions?

1640

The Deputy Speaker: You should address your questions to the Chair, please.

Mr Grandmaitre: I am trying to wake up the minister, Mr Speaker.

Hon Ms Wark-Martyn: On a point of order, Mr Speaker: I was awake and I was listening to what the member for Ottawa East was saying.

Mr Grandmaitre: I do not want to surprise her, but I still maintain that I should get answers to my two questions: How many new tax inspectors has her ministry hired, and why not consider tobacco manufacturers and appoint them as tax collectors?

Mr Cousens: I am really surprised. I look at my good friend the member for Ottawa East as he allows a little lady like this to come along and beat him up. Here we have David and Goliath, but David—

Interjection.

Mr Cousens: No way. The new Minister of Revenue is in the job the member for Ottawa East used to have and can just out-talk and outmanoeuvre him. I do not think she could begin to out-think him, but the fact of the matter here is that the former Minister of Revenue is coming along and going after the present Minister of Revenue saying, "How terrible."

The problem started with those guys in 1985. David Peterson came to power and had the big dream the New

Democrats and Liberals cooked up together. They were so far up in the clouds with all those wonderful concepts on how they would spend the taxpayers' money and how they would build a kingdom, and as they looked down on it they started to plan and plan and spend and spend. What we are living through today is just a further extension of those dreams that were started by David Peterson, and then the member for Ottawa East and all the Liberals because, let's face it, it was a coalition between these two groups. Once the Liberals came to power they were propped up in the first place by the New Democrats and the province went along with it.

To me, there are not that many Conservatives left in this House. There are 20 of us now. There were days when there may have been more, but we will continue to exist. There is a motto that says, "Tough times don't last; tough people do." We are into tough times right now and the people of Ontario will survive. They will come through. They will survive the budget, the deficit and the things the New Democrats are doing, but let's not just forget the history of what has happened. The Liberals helped bring this to pass.

They started the spending that has now caused the New Democrats to be in a position where they are having to spend in excess of what will be brought in through the Treasury this year. The deficit will jump to \$9.7 billion. That is within their budget. The feeling we have now is that the deficit will be well in excess of that. It could be \$12 billion or maybe even \$13 billion. Though the people of Ontario will not pay that bill this year, with the increase in taxes and the way this government is carrying on, our children will. Those who succeed us will have a big bill to pay.

Ottawa has had to face up to that problem over the last several years, and the fact of the matter is that 35 cents of every dollar of our federal taxes goes to pay off the deficit, to pay the interest rate. We are not even close to meeting a balanced budget in Ottawa, and now in Ontario we are going to project an increased deficit over the next several years and increase the hole. The hole will get bigger and bigger as the people of Ontario live beyond their means.

Spending by this government is another reason for this tax. Spending was estimated to go up by 13.4% in their budget forecast; spending will be up in excess of that because of the welfare rolls, social assistance, a number of things—some of them legitimate, let's face it. We are not going to see the people of this province suffer when we are into a deep recession; we have a duty to fulfil those responsibilities. But when you see government spending up by that amount for reasons that have to do with the size of the ministers' offices and the size of the bureaucracy they are building—

An hon member: The bar tab.

Mr Cousens: And the outstanding example that was raised today by our leader, the member for Nipissing, in the spending by the Attorney General, allowing \$10,000 for a couple of days' visit out to the Niagara region. It sure helped the economy.

The Deputy Speaker: Please come back to the issue.

Mr Cousens: It is part of the issue. If you want to disagree with me, Mr Speaker, I take exception. I am talking about the spending by this government and the deficit, and I am talking with relevance to the bill we are on.

The Deputy Speaker: Talk about the tobacco tax.

Mr Cousens: The problem we have is the deficit created by this government, and the tobacco tax is part of the whole problem. I am sorry, Mr Speaker, I take exception to it. I am pointing out an example where the Attorney General had a party for his staff, which he did not attend, but they spent \$10,000 on this party; again, part of the deficit, and here, in order to cover that deficit, they have taxes. It all fits into a picture.

If for that event they had bought only Niagara wine with the \$2,500 bar bill instead of the Grand Marnier and the Baileys Irish Cream, there might have been a little happiness for the member for St Catharines.

Our concern has to do with government spending. There are illustrations galore where this government has not yet faced up to the need to reduce its spending. Instead of reducing its spending, which is the illustration I tried to give to the honourable Speaker, they are increasing taxes. The tobacco tax becomes a way in which this government tries to approach the problem.

I am going to talk about the tobacco tax and its ramifications, but I also feel there is a much a larger picture of a government out of control and the sense of confidence that is being lost by people like myself and those in my riding and across the province who are saying the New Democrats have an opportunity to do what they want. We in this House will, I hope, bring to their attention the problems they are creating through their measures and their actions, due to their inaction in other areas. There is a sense of responsibility that we have to make sure the New Democrats understand it before they continue to spend with abandon.

When we start looking at the way this government is spending money, the only way it is able to solve its problems is, one, by increasing taxes or, two, by increasing the deficit. The one thing they have not thought about is cutting spending.

Very recently the Treasurer came forward and said, "I'm coming in with the new R word: restraint." There was some talk of restraint; \$600,000 in the first year is all it amounts to. That is just a bag of shells. That does not begin to show any effort of restraint on a budget as large as Ontario's. They have not begun to really say, "We're going to cut back on certain things."

It is very easy to make the symbolic gesture of saying MPPs will not have a salary increase. Everybody takes great pleasure in thinking the MPPs are paid too much right now for what they do. In the view of many people politicians get too much money. I just take some exception to the way this government has come along and said, "We're going to have restraint," and the one thing that has happened is that during the last year, every member of the New Democrats has probably made more money than he or she has ever made before, and they have made every effort to change the cost figures for our salaries. But we do

not talk about it. There is no public support for me to talk about members' salaries, so why get into it? That is not my intention.

My talk here has to do with the serious problem of the farmers who are trying to eke out a living. They happen to be growing tobacco, which has become a product where people in Ontario have said, "We don't want smoking." This building is a non-smoking place. We have helped bring in non-smoking legislation across the province. In fact, we have an understanding now of the effect smoke has on health in a large number of ways, not just the primary smoke of the smoker but secondary smoke. What we have ended up doing is rationalizing the increase in taxation very easily, saying there is one way to stop people from smoking and that is to add to the tax on a package of cigarettes or on a gram of tobacco. So while people are doing something that is called a sin, we are able to get more money for the government coffers.

1650

How much money do members think the government has brought in over the last number of years? In 10 years both the federal and provincial governments have taken in excess of \$31 billion in tobacco taxes, \$31 billion by both levels of government in tobacco taxes. Yet how much money has gone back to support and assist the tobacco farmers and the tobacco industry? Has \$1 billion gone in? No, it is less than that: \$70 million has gone back into the tobacco industry over a 10-year period. What has happened is that well over \$30 billion has gone into the coffers of both levels of government and meanwhile the number of tobacco farmers in Ontario, where we had something like 2,500 tobacco farmers, has gone down to maybe 1,200.

The 1,300 who are no longer farming tobacco are into other products, they are out of business, their farms have been sold or the banks have taken them over. They certainly do not have as much to rely on as they once had. Their dream has been taken away. The lack of assistance and support from any level of government to significantly address the needs they have has become a matter of concern to all of us.

I am going to talk about the programs the governments had. I think that is part and parcel of the picture. When we see the \$31-billion golden egg that has been given to the governments of Canada and this province over a 10-year period of time, that huge amount of money, a very minuscule amount has gone back to help that industry. Only \$70 million has gone back to them.

So what do we do? We have to look at the different programs that have been available to help tobacco farmers. For one thing, I am a non-smoker. I was not at one time and I could still easily start smoking again. It is one of those things. Having done it, I enjoyed it. I think there are many people right now for whom smoking is a very important part of their existence. I happen to believe we can only go so far in trying to force people to do what we want them to do.

It is called civil liberties and it reaches a point where, having taxed them to such a level, it is almost like Prohibition. During the 1930s we said, "There will be absolutely

no alcohol," and so at that time there developed a whole underground network of trade so that people could buy alcohol. Now what happens here in Ontario, because we have increased the cost of tobacco to such an extent, as has been previously mentioned by other speakers in this House, is that people do cross-border shopping. Tobacco is certainly one of the items that comes across the border in large quantities, because it is so much cheaper south of the border than it is here in Canada.

Is it our plan to get people to stop smoking? Certainly the tobacco tax is a tremendously large disincentive to a smoker. All they have to do is add up the cost of their habit and begin to say, "I could do other things with the money." There is another disincentive to smoking, and that is the health consideration. I have no idea what the costs are for emphysema, cancer and other sicknesses related to smoking. They certainly puts a large cost on our health system. It is of concern to me and it is of concern to everybody that there are primary and secondary illnesses because of smoking.

I think the whole problem of whether or not people should smoke is not a matter for me as a legislator to decide. I think that is something for an individual to decide on his own. Let them weigh the merits of whether they can afford it. Whether it is their willpower, whether it is all the reasons or whether they have to go and get help to quit smoking, let that be their decision.

Has it become the decision of the province to say, "We don't want people to smoke"? We have reached the point where we have said, "We're taxing it to such a level that it is now threatening the industry of the tobacco farmers and all those who are related to it." The industry is an integral part of Delhi and Tillsonburg in Ontario, where there are many people whose livelihood depends upon tobacco. It is not just the 1,200 farmers who are left; it is the thousands of other jobs in curing and providing manufacturing equipment, the whole marketing of their products and the world markets they open up. It is a combination of things.

Are we making a philosophical decision in this House that we do not want people to smoke? If that is the case, I wish someone would say so, because then we could come along and do something in particular for those who are going to be disaffected, the industry we are talking about, the tobacco farmers and those related to the tobacco industry. Then we can come along and say, "All right, we are restructuring it so smoking will not be allowed in this country and we are now going to do specific things to assist you." I do not think this government has said that. We have called it a sin tax. We have called it Bill 84. It becomes just another way for the government to raise money to spend on other things.

I apologize for my earlier comments to the Speaker. I respect him very highly in the chair and out of the chair. The fact of the matter is that a tobacco tax for Ontario is part of a much bigger picture and is not something you can just take in isolation and say, "Okay, just examine specifically the effect on the smokers or the cost of this extra amount of money for a cigarette or a gram of tobacco." It has much wider ramifications than that. If a certain percentage of the money we are raising through taxation went

back into the tobacco farmers' assistance program in different ways, so that they could transist to other forms of farming, then we in the province could somehow justify the large revenue base that comes through the tobacco tax.

The tobacco transition program is run by both the federal and provincial governments. It is a fund in which there is money right now from the federal government that can be spent to assist farmers in this whole transition program. In fact, this program has already put something like \$54 million into the pockets of tobacco farmers who have taken land out of production from tobacco to soybeans and other products. But there is still \$14 million in the tobacco transition initiative, in the federal coffers, which could be used to assist tobacco farmers right here now in Ontario.

The key to get that money is for Ontario to have its own parallel program to assist the tobacco farmers, but the Ontario government has seen fit, in its own wisdom, not to participate in that program. Therefore, the \$14 million the federal government has set aside will not be spent to assist Ontario tobacco farmers. I cannot accept that when I see this government coming along and raising a tax on tobacco right now, if at the same time it cannot look at the needs of the tobacco farmers. Something is very inconsistent.

Let's face it: It has been done by every government. I cannot say it is just the problem of the New Democrats' closed minds. It was certainly the case when the Liberals were in power, and we can go back to earlier days when Tory governments in Ontario taxed tobacco as well.

It is a matter of degree. We are now at the point that the number of tobacco farmers continues to decline. We have an industry in trouble and there is not a sou going back. They will probably find a few dollars, because of some of the other programs, but a significant understanding of the need of the tobacco farmers is not being taken by us in the Ontario Legislature.

I have to take great exception to that kind of callous disregard of the needs of people who have their own personal investment at stake: their land, their families, their homes. The whole industry that surrounds this is not getting the support from government it should receive.

I look across the House and they just laugh. I do not sense the commitment that should be there on the part of all of us, saying, "We want to do something to assist those who have a specific need." We have an industry, a totally indigenous industry to Ontario, and this industry is now in jeopardy. If we as a government, if we as a Legislature—I am not part of the government; I am part of the Conservative opposition to this bill. I could not be part of the government on this. I would be voting against the bill. I really sincerely hope the government will have second thoughts on just why it is continuing to tax at such a level and why it is that it will not consider a more balanced approach to the budget of the province and the needs of the people within it.

1700

I am specifically talking about the needs of the tobacco farmers and the tobacco industry. What will Elmer Buchanan be—that is the Minister of Agriculture and Food—doing in the future? I think of Elmer Fudd and I probably

have a bit of a laugh in my mind when I think of the Minister of Agriculture and Food—

The Deputy Speaker: Order, please. I would prefer that you refer to the Minister of Agriculture and Food either by his riding or as the minister, please.

Mr Cousens: Okay. I will refer to him as the Minister of Agriculture and Food, because it would be wrong to refer to him as a cartoon person. That would really put him down as a funny, useless person who does not show respect for the high office. But if people have in the back of their minds, when they think of a person's name, a certain cartoon figure whose name is Elmer Fudd, and the Minister of Agriculture and Food, a very highly respected person by the New Democrats and not by many others, is in a position that he is being ridiculed, I can only say he is being ridiculed because of his failure to deal with an issue that has to do with the very livelihood and wellbeing of a significant industry in our province—significant if you are in it. There are many other industries that are in trouble. We saw the people this morning from Algoma who came to talk to us about their needs.

Hon Mr Hampton: Saskatchewan farmers had a chance to reflect on this yesterday.

Mr Villeneuve: They are in trouble too now, a lot more than they realize.

The Deputy Speaker: Order.

Mr Cousens: The people of Saskatchewan have a problem all right, but I will tell members, they do not grow tobacco in Saskatchewan. They do not have tobacco farmers in Saskatchewan. I do not know what they would be doing about it. I am talking about Ontario and what we can do here in this province to help the tobacco farmer.

The honourable members opposite are very glad to try to divert me on to other subjects. I not about to be side-tracked on to other subjects. I think there is sufficient to talk about just in dealing with the tobacco farmers and the tobacco industry, which is an indigenous Ontario industry, and we have to do something about it.

The issue will not be resolved until we see some action taken by this government to do something about its deficit. It should not keep spending with such abandon that it has to increase the size of the debt, which will increase to proportions that future generations will have to pay.

Our caucus, under the leadership of the member for Nipissing, is trying to at least make a statement—

Hon Mr Hampton: The Taxfighter was out in Saskatchewan, was he?

Mr Cousens: He is known as a taxfighter, and the fact of the matter is—

Interjections.

The Deputy Speaker: Order. There is a period of two minutes per member after, if you wish to ask any questions of the member for Markham. The member for Markham, please address the chair.

Mr Cousens: I think I will have to start at the beginning, to go back over all the points I have tried to make, because with these interruptions that are coming forward—

Interjections.

The Deputy Speaker: The member for Durham West, please. The member for Markham, address the chair.

Mr Cousens: I would be pleased to address the chair. I would just hope there is something all of us can do to deal with the New Democrats.

There was an ad we put in the paper when this government brought down its budget. It is a picture of the Treasurer and the Premier having a great laugh. That is when they dumped the budget on Ontario. It has to do with what we are talking about now. If the government did not have the extra spending that it is going on with now as a government, if it did not allow itself to go on without abandon, then it would not need to be raising the kind of taxes that it is right now. Why not, at this time of economic recession, have some kind of holding back from a government that is just not keeping in touch with the reality out there?

I am concerned about a number of issues as they pertain to this. I think other members of the House will want to speak to it. I do not think there is any doubt that the members of our caucus are strongly opposed to the tax increases that are being brought forward by this government. We have gone through the bill with care. We realize that the bill is just giving more heavy-handedness to the government in its collection procedures. We see that the bill is going to add to the cost of each cigarette so that it is 6.5 cents on every cigarette purchased and 6.5 cents on every gram or part thereof of any tobacco that is purchased. We are seeing the cost of living go up. It is part of that business where the cost of living in Ontario becomes all that more difficult.

We are losing our competitive position in Ontario. I do not think we can blame it on a tobacco tax bill, but it is just one of those reasons why it becomes more costly to live in this province than in other jurisdictions. Is it any wonder people are looking at Buffalo or places south of the border more seriously because it is more costly to live in Ontario?

Can they tell me what is not more costly in Ontario? Tobacco is more costly, but everything else seems to cost more, and what do we get for it? Probably more government, and the one thing people are getting too much of in this province is more government. If there could be a sense of bringing government down, bringing it under control, bringing its expenses under control, then we would have a chance to see the future with a sense of confidence.

There are a number of issues we have to raise on this. I do not think the subject will end with this debate. The government will, with its strength of numbers, come forward and vote down any amendments we make. The government will, in its own wisdom, go ahead and spend the way it has. They have freedom for three and a half or four years, however long it takes, and at that time hopefully the people of Ontario will remember something of the disastrous kind of government they had in this province. Here they are being bled again and again by a government that just cannot keep its hands out of our pockets and is just taking the money and then frittering it away.

There are more examples coming forward as people point out to us the failure of this government to deal with

it. If this government—and in fact I have not discussed it with our own caucus—came forward with some measures immediately, before this bill was passed, that would help the tobacco farmers plow back a certain percentage of the money that is going to be raised through this extra tax and through the taxes that come in through the tobacco tax to assist farmers in Brant-Haldimand and other areas, then I would have a sense that this bill has some equity to it. At this point the money just goes into the government of Ontario coffers. We are not even taking advantage of funds that are available from the federal government. If there were that kind of movement by the government, then there would be less anger from someone like myself because I would see something being given back to the people who really have a need for it.

The tobacco farmers have a need. Let's understand that. Just to continue to tax tobacco is to try to discourage people from having any kind of smoking at all. It may be right, but I do not think we are the people who should be doing it. If we are going to do anything, it can be education at the schools or education in society, but it is not for us to become the civil libertarians who are going to make the laws for everybody. I think we have to set a context for a society to live within and to be part of, but just to come along and arbitrarily move things out of the range of people because of what we are doing is wrong.

I know the New Democrats do not like a word I have said, and I just cannot help it. I wish there was some way in which we could all come back and haunt the caucus room of the New Democrats and cause them to rethink their whole budget approach to Ontario. That is the reason I stand on the floor in this House today, because if we could get them to live within their means, live without this huge, monstrous deficit, to reduce some government spending, to establish a balance so that business can prosper in the province, so that there is confidence in the economy for the future, then I would begin to feel that we have done something here that is beneficial.

1710

What I hear on the other side of the equation is that there is no business sense coming out of this government. That just is not the way to build a prosperous society. Our society is in trouble right now, and what it needs to have is leadership from a government that has empathy and understanding for the needs of business, industry and workers who want jobs so that there is an environment there for them to make a profit, to make a business and to look after their families, instead of this biased, one-sided view that really does not have everything in perspective.

I just hope there is some chance the New Democrats will reconsider this bill. Bill 84 does not need to pass. We could make some amendments to it that will allow it to be far more palatable for the people of Ontario.

The Deputy Speaker: The member for Cochrane North—South.

Mr Bisson: That is twice today that I have been referred to as the member for Cochrane North. I take that as a compliment. I think Cochrane North and Kapuskasing have done a lot to serve as an example of the type of things

that are possible, such as what happened in Kapuskasing last spring, when people really do come together to try to work out solutions.

More specifically, the member for Markham talked about creating a business climate, creating an environment where it is more conducive to do business in Ontario. I do not think anybody will argue with that statement on the surface. I think everybody wants to have a better business climate for people to invest in this province.

But what kind of climate is the member talking about? If the member had been here yesterday, he would know that is exactly the point I talked about. Is he talking about creating a climate that says we do not want equity in our society? Is he talking about an environment that says, "It's okay; you can come to Ontario and start up a manufacturing plant and pollute all you want"? Is he talking about a society that says, "No, you don't have to have protection for the workers"?

If that is the kind of environment he is talking about, then I would charge that the member is one-sided and should not accuse this government of being one-sided on the way he is looking at things, because I think he is being somewhat self-serving in the way he puts that.

He spoke more specifically, and not at very much length, I might add, to the question of the tax on cigarettes. As a smoker, obviously I have some difficulty with that, but I understand the reality, and that is what I spoke about a bit earlier.

He started getting off track quite a bit, and what he was basically trying to say is that governments had to be, I guess he was saying, uninterventionist in the way they do things and if government would just back off and leave everything alone, society would be a much better place.

It is interesting when you look at some of the figures on exactly that question where governments do try to take an attitude of leaving things open to the private sector in a much more positive way in the type of atmosphere the member for Markham speaks about. You end up with some of the figures I will quote now very quickly. When compared to places like New York and Michigan, where there is that kind of climate, the homicide rate is four times what it is here in Ontario. I will speak of that at a little bit more length during my turn in the debate.

Mr Villeneuve: I too want to congratulate my colleague the member for Markham, who is neither a farmer nor a smoker but certainly understands the problem thoroughly. I want to congratulate him for that. As the member for Cochrane South has just mentioned, he is a smoker and it is hurting him and it is pinching him.

This particular member does not have tobacco products in his riding and he does not smoke personally. However, he understands very well what has been happening, not only in Bill 84 but in a whole raft of bills that are increasing the taxes to the consumers of this province, to the tourists, and certainly contributing very extensively to the cross-border shopping problem we have in certain areas. It was expressed to us this morning by visitors from Sault Ste Marie and it is being expressed to me, coming from an area close to Cornwall, where we have an Indian reservation called Akwesasne where there are no taxes at

all, so people go there for tobacco products. They go in droves and come back with illegitimate purchases of tobacco.

This government is forcing many of our outstanding, honest citizens in Ontario to break the law, to become crooks actually. It is certainly very disconcerting when indeed this is one of the few little pleasures that some of the people can enjoy. I realize that now a majority of Ontarians are non-smokers, but we do have a minority of smokers in Ontario and I believe, if indeed they have chosen to continue to be smokers in spite of what the government has put out regarding the health risk, they should be allowed. They should not be priced totally into a situation that puts them almost to the point of driving them underground, to be closet smokers.

Hon Ms Wark-Martyn: I would like to mention some points of information to all those people listening today. When the Tories were in government, there was an excess of money in Ontario. Things were booming. They spent. They created programs. They had extra money at the end of the year. "Let's create a program and somebody can tap me on the shoulder."

When the Liberals were in government, they did the same thing, except they realized at some point that there was going to be a deficit. We were going into a recession and it was going to affect them. So what did they do? They called an election. But they did not plan on losing and we as New Democrats did not plan on winning.

Now that we are here, we are proud of the budget the Treasurer brought in. If we had to do it again, we would not have done it any differently, knowing what we know, knowing the financial situation we are in, the recession.

Yes, we are looking at all the programs that all those past governments have created. We are looking to see, who are the people they are serving? Are they effective? Is there a better way of doing business in this province so that all people can benefit from the taxes they pay?

The Minister of Agriculture and Food is working with the farmers. He has done a lot of work with the farmers. He meets with them all the time. He will continue to do that. As I said before, the federal government also raised tobacco tax three cents a cigarette. I hope members opposite also are talking to their federal counterparts in Ottawa.

We are going to have better health care in this province through these taxes, and I am sure, for the first time in this province, as we heard through the budget hearings this summer, people who never before benefited from a budget are now speaking in praise of this government's first budget.

Mr Bradley: When a bill is going through the House and you watch the role the minister plays in that particular situation, you do not expect some partisan rant to go on. You expect that from the rest of the House perhaps when a bill is going on, but I heard the same speech yesterday about how great a budget it was and so on.

One has to wonder why a year ago the government was not going through the exercise it is going through now. It is as though they invented it. If you read back in the speeches that were made on this side of the House by the opposition parties, the caution was put forward to the Treasurer and to

other members of the government that they should be evaluating each of the programs extremely carefully to see which were still relevant in 1990 or 1991 and which are not relevant, which programs can be delivered better and so on. Now we get a lecture from the Minister of Revenue on how this is what they are doing and the opposition somehow should know this is what they are doing.

The problem is that we are running a deficit of \$9.7 billion. Instead of trying to pare that deficit down to something more reasonable, the exercise now is to bring it on line, that is, within \$9.7 billion.

Those of us in opposition think that is too much. The spin doctors on the government side and some of their writers in the newspaper, such as Gerry Caplan, who writes his column in the newspaper and so on, say: "Of course you have to understand this is the way things must be done. You have to understand that we have special programs that have to be put into effect. You have to understand it's the feds' fault, it's somebody else's fault."

This was preached to the government some time ago, that it has to exercise this. Now I suspect the government will come in at \$9.7 billion and say it is some great accomplishment. This exercise was to trim it from that unprecedented figure.

Mr Cousens: I would like to just address some of the comments made by the Minister of Revenue. Probably the most significant and telling statement the minister made was that the Minister of Agriculture and Food is working with the farmers. That is just not good enough. They can keep on telling me they are working with the farmers and they are talking with people, but if they do not have a program or a commitment to help them and to address the concerns and grievances they have with this government and with our taxation levels on the tobacco industry right now, then it is just empty words and for us to continue to listen to this bafflegab is just to waste everybody's time and attention.

For the Minister of Revenue to come along and say the Minister of Agriculture and Food is talking with the farmers is not doing one bit of good for the people in Brant-Haldimand, and it is high time this government woke up to it. Maybe it could also call a by-election so the people down there can have a bit of a statement about what the government is not doing to help the tobacco farmers.

1720

I would like to thank the honourable member for S-D-G & East Grenville. He brings up the point that people going into an Indian reserve and going to other places to buy tobacco is an illegal process. What kind of an act is that? We are forcing people into some kinds of deeds that they do not want to do. I appreciate the kind of thing he sees in his own riding, and we have to do something about it.

I will not even comment on the member for Cochrane North. I think the member has not understood what I am trying to say about the balance of government working with industry. I will say that the New Democrats have lost my confidence in their ability to do that. I do not think they know what it is all about, and their comments just reflected that.

The Deputy Speaker: Thank you. Are there any other members who wish to participate in this debate? The member for Cochrane South.

Mr Bisson: Thank you for very much. I remind the member for Markham that it is Cochrane South and not Cochrane North. No, I did not miss the point the member was making, what he was alluding to just a little while ago. It is a whole question of trying to create a balance within society that speaks about laws that are equal for people, so that no matter where you are in society you have a reasonable chance of being able to access government services or the legal system or whatever it might be in a way that has some equity built into it.

That is what we talk about as New Democrats. We talk about a democratic socialist party. We talk about putting together principles by which people can have access and equal opportunity get services that the government provides.

When the member for Markham speaks about how he thinks we are trying to create a government that is somewhat one-sided, I tend to argue, because exactly what the member for Markham is talking about is what his party's government did for years and, I think, what the Conservative government in Ottawa under Mr Mulroney has demonstrated over the past years in Ottawa. Mr Mulroney has been there for eight years and the laws that have been changed—it is not to say they are all bad. I am the first to admit that some of the laws the Conservative government passed in Ottawa were good, but some of those laws have been quite regressive. That is the crux of this whole discussion. If we look at what has happened lately in British Columbia and what we have just seen in Saskatchewan, people within Canada are starting to say: "We don't believe the rhetoric that we've been getting from the Conservative Party. We don't believe in a Canada that threatens our very existence as far as the things we hold near and dear to us with regard to our social values, the programs that are available to us as Canadians and the whole social fabric of what this country is all about."

I see the member for Etobicoke has awakened and is flashing the Agenda for People. It is a document that I have no problem defending and a document that I think makes a lot of sense. What this government is doing is coming at this with a practical approach. But after September 1990, when we came into government, we opened up the books. When we opened up those books, we found a couple of surprises. One of them was quite large, about \$2.5 billion, if I remember correctly. Under those kinds of conditions and with the economy the way we found it when we got here, obviously we had to rethink how we did some things and how we were to accomplish some of our objectives over the long term. That is what this government is doing. It is coming across the whole idea of presenting issues and dealing with the various things we think of as important within Ontario in a very pragmatic way and a very realistic way.

But let's be specific about what we are here to talk about today. We are here to talk about Bill 84, which is basically a tobacco tax. Yet again, a government in Ontario, like other places, has decided to increase taxes on

tobacco. I have sat here quite patiently in the House listening to my colleagues in the Liberal caucus who spoke before me and to my colleagues in the Conservative caucus, who are again sitting over there—such as the member from Etobicoke, who I see is paying great attention—listening to them talk about the virtues of what they would do if they were the government of Ontario and how they never stood for and do not stand for today what the government is doing in Ontario with regard to the tobacco tax.

Excuse me, but every Canadian and every Ontarian will realize that what is happening here today is no different from what has happened in the whole history of taxation, either in Ontario or within the federal jurisdiction. Let's talk about the brass tacks. The brass tacks are that we as governments have to raise capital in order to pay for the programs that we as Ontarians or Canadians want. Somewhere along the line you have to get the revenue to do that.

There are a couple of options that a government has. It can say, as the Conservative Party would talk about, and the Liberals talk about the same theory in Ontario, as when the government passed down its budget in April 1991, that we have a decision, we have some choices, and it is saying clearly that it is not accepting the \$9.7-billion deficit.

The reality is that there were not many options left open to us. There was the little surprise left in the till when we got there of losing \$2.5 billion. There was the little surprise of the federal government cutting back on transfer payments and also the whole state of the economy that we inherited. We were not the government in the 1980s. We inherited a mess.

Mrs Caplan: Stop whining.

Mr Bisson: The member for Oriole talks about whining. I sit here in this House day after day and listen to the member for Oriole do exactly what she is doing now.

Mrs Caplan: It's not a mess? You knew the federal government was cutting transfer payments. Tell the truth.

Mr Bisson: Do not imply that I am not telling the truth.

The Acting Speaker (Mr Farnan): The member will take his chair. The member will be seated. The member will speak directly to the Speaker, and the member for Oriole will refrain from interjection.

Mr Bisson: What I am getting at is that for people to stand here in the House from whatever opposition party, either the Liberal caucus or the Conservative caucus—

Interjections.

Mr Bisson: Here we go again, Mr Speaker.

The Acting Speaker: Order. A member can participate when he has the floor. A member participates best by listening when he does not have the floor, and I think if we co-operate, all of us on both sides of the House, we can get on with the business we are here to do for the people of Ontario.

Mr Bisson: We are here today talking about the whole question of Bill 84. The province of Ontario has made a decision around taxation of tobacco. The point I am trying to make is that we all sit here as politicians on the virtues of what we would do if we were the government: what I

would do if I were a Liberal member or an independent member or a member from the Conservative caucus, and how I would do things better. Obviously that is part of what we do as politicians. We are trying to put forward our ideology as being somewhat better than the other political party's. There is political gain in that and everybody has participated in that one, being in opposition or, quite frankly, being on the government side. The reality is that we as a government have to make decisions that are realistic to the situation that we find ourselves in, in light of where we are with the recession.

The point I was making and what got the opposition upset was the reality that when we inherited the government in 1990 by the will of the people of Ontario, who said, "We elect a majority government to rule the province of Ontario for the next four to five years," we got here and there were some things wrong with the economy. Businesses were leaving to go to the United States. Why? Because of the policies of our federal government. We cannot hide from that. Free trade has not helped us, deregulation has not helped us, and a host of other policies that were put in place by the federal government have added to the situation that we find ourselves in today. It has not set the kind of business climate that we as Canadians need to develop our economy.

I said a little while ago that what the Conservative government has done over eight years has not been all wrong. No government on the face of the world has done all wrong—

Interjections.

The Acting Speaker: Order. I am going to ask the member to make reference to the bill and try to focus on the bill. You will find you will have fewer interjections if you speak to the issue before the House.

Mr Bisson: Yes, Mr Speaker. It is somewhat difficult because the point I am trying to get to on Bill 84 is that as a government we have to make some harsh decisions. Specifically on Bill 84, where is a government able to generate revenue to provide for the programs that are necessary for the people of this province? That is the whole point of what we are getting at. Governments have very tough decisions along the way.

There is another question when we are speaking specifically to Bill 84. We have another responsibility to the people of Ontario, because we provide health care through our OHIP system to the citizens of this province, of trying to save on the money we spend within our health care system. I am a smoker myself and wish I could stop; it is an addiction I have and I freely admit that. But I realize as a consumer of tobacco products that the longer I smoke the more difficult it is going to be for my health, and at the end there might be a cost to the taxpayers of this province due to the health costs they will have to pay for health care I require because of smoking.

1730

One of the things governments have done over the years, not only on this side of the House but also the Liberals when they were in power from 1985 to 1990, is to raise tobacco taxes pretty well every year. It was not only

that they were trying to raise revenue—I do not accuse the opposition of that—but they were also trying to cut expenditures on the other side. There is a cost to people smoking too much; there is no question of that.

There are places where we can bring forward ideology, into the debate on particular bills that speak about how we want to see this province run, how we want to create a business climate and all the rest, but let's be specific when we are talking about Bill 84. There are some harsh decisions we have to make as a government, the same decisions my colleagues on the other side of the House would have to make if they were sitting here, but the people of Ontario made a choice in 1990 and elected a New Democratic government to make those decisions.

If we do not spend the dollars on the programs provided by government, there will be consequences and social costs, if we do not go out and do those things. If the government decides it is not going to raise revenues through bills such as Bill 84 and decides it is going to cut expenditures on the other hand, that it is not going to provide social housing, medicare or a multitude of other programs that add and contribute to the life and health of Ontarians, then there is a cost.

There is an interesting figure in the 1991 budget related to what this is all about. Members should look at the crime rates in other jurisdictions where there is not as much spending by the government on social programs, on providing for those people who are having difficulties. When you compare our numbers on homicides in Ontario to those in jurisdictions within the United States, they are 8, 10 or 14 times higher, depending on the jurisdiction, than here in Ontario. If the government does not spend the money on social programs and on building the infrastructure, that is the price we pay.

We have a decision. Would we rather walk the streets of Ontario with a certain amount of security, a certain amount of dignity as human beings in this society, and support that through our taxation systems, or follow a political ideology like that of my friends in the Conservative opposition, leaving it totally in the hands of the private sector and running the risk of having higher crime rates?

It is the same thing with infant mortality rates. The infant mortality rate in Ontario, compared to other jurisdictions such as New York and Michigan, is significantly lower, by 30%, 40% or 50% in some cases. It is not a question that in Michigan and New York they do not have the medical technology that we have in Ontario—in some cases it may be superior—but the average citizen cannot access those services because the ideology of those governments is the same as our Conservative friends' when they talk about governments intervening in the private sector.

That is what this bill is all about. This bill is about the stark realities of decisions you have to make as a government to provide services for the people of your province. As a government, at times you are going to have to take flak, because somebody must pay. If I as a consumer decide tomorrow, "I need to invest in my home because my windows are falling out of the walls, and it is going to cost me \$10,000," the consumer borrows money from his or her banker to pay for that. If the consumer says, "I need to

borrow money from my banker to provide an education for my child who is 18 or 19 years old," he goes out and borrows that money.

That is a decision we have made as a government. We admit it freely; we have no problem with it. On the last budget, we had some decisions to make. We have a wholesale rampage on our economy. Do we fail to provide the services necessary to support the people of this province, not directly but through the social programs we have, medicare and other programs necessary for our very way of life? Do we throw the people to the wolves—I hope that is not what my opposition friends are saying—or do we go ahead and try to fight the recession in such a way that we allow Ontarians, the people living in this province, to walk the streets of Ontario with a certain amount of dignity and feeling as if this Ontario society also belongs to them?

In closing, there are some tough decisions we have to make as a government, such as those on Bill 84, having to raise revenue at the same time as trying to balance off what the social cost is to health care if we try not to deter the cigarette smoking that is happening in our society. They are very tough decisions and this government is prepared to make those tough decisions, realizing that not everybody is going to agree with them.

I would just leave this with my friends from the opposition, especially the member for Markham who spoke before and who talked about having a society that we are creating as New Democrats that is unjust somehow to the business sector. I completely and utterly disagree with him, because what this government is talking about is building partnerships, building real equity within our society that says, "You as a corporate citizen also have a responsibility, not only to the people of the province and the country, but to the environment, to your workers and to the general society around you." All of us are going to share in that responsibility, not just the government of Ontario, but every citizen within Ontario.

If the member for Markham is advocating that we build a society that says, "Let's create a more just business climate by allowing people to pollute our environment; let's allow a more equitable business climate by not paying or remunerating workers for just services; let's provide a better business climate by not providing the proper protection for workers with regard to health and safety, and let's not provide for government in those kinds of terms," I say no.

I support what this government is doing through Bill 84 because what we are talking about in this bill, as in the rest of our legislation, is building a fair, just and equitable society for the people of this province.

Mrs Caplan: I want to point out to the member opposite that his flower is wilting and the reason for that is because of the hot air he has been spewing during this debate. The flower has not survived the discourse he has just treated this Legislature to. He was factually incorrect.

My constituents who watch the proceedings in the House and who know the facts often say to me, "You know, he wasn't telling the truth," or they will say things such as, "He was really misleading the House." I will say he was not lying and he was not really misleading the House; he was trying to create a perception. That is why

people in this province sometimes become so cynical. He stood in his place and the perception he created was quite inaccurate.

One of the goals the government set for itself was to have a balanced operating budget by 1996 or 1997. This is a laudable goal. I point out to the member and to the people of this province that he inherited a balanced operating budget that had been in balance from 1986, 1987, 1988. In fact, it was a fully balanced budget in 1989-90, and what he inherited was a triple-A credit rating.

Yes, the province was in a recession, the economy was in decline and the fiscal policies of the government have done nothing to instil confidence in the people of this province. It has done nothing to encourage business to come to Ontario, and the job loss under this government's fiscal policy has been in excess of 250,000 jobs since it took office. That is a shameful record and that happens to be the truth.

I have been a proponent of taxes on tobacco from a point of view of healthy public policy, not just revenue generation. What he has described to this House borders on—

1740

The Acting Speaker: The member's time has expired. Before we continue with questions and comments, I ask for the co-operation of all members of the House to allow the individual who has the floor to make his comments. If members want to participate, maybe they can use a two-minute time period to make comment, but please refrain from interjections.

The member for—the honourable leader of the third party.

Mr Harris: That is one way of doing it if you cannot remember my riding. It is Nipissing, Mr Speaker. None the less, thank you very much. I do have a few comments to make.

We are dealing with the cumulative effect of governments over a period of 10 years or so in this province that have now adopted of policy of saying: "The reason we are hiking these tobacco taxes all the time is so you will stop smoking. We want to eliminate smoking in Ontario." That was the goal and the objective. That seems to be why it is okay to raise taxes on tobacco to such astronomical levels.

Today, this cumulative effect is that we are now taking in \$1 billion from tobacco alone in this province. What I object to very strongly is that successive governments have continued to hike this taxation to a level where, along with gasoline and booze, it is affecting tourism, it is affecting cross-border shopping, it is affecting the image and the perception of Ontario. As the tourists say: "I am getting ripped off there. Goodbye. I am not going there any more."

What I really object to is this: They are putting nothing back. I suggest it is a tax grab and that is all it is. The government is grabbing extra tax dollars and the effect of what it is doing is putting tobacco farmers out of business. It is setting up tremendous imbalances now with reassessment going on in Haldimand and in Norfolk.

If they put one tenth of 1% of this money back into the very farms they are putting out of business—with the impact the government is having on the economy, I would

say maybe that was the goal; it was not just a tax grab. But they grab this money from the industries and the businesses and the farmers and they give nothing back. It is nothing but a tax grab and we will not support that.

Mr Johnson: I want to thank the member for Cochrane South for many of the fine comments he made with regard to the reasons why we have to implement these sorts of taxes.

I was in Delhi prior to the election in the spring of 1985 and I met with a tobacco farmer down there. I was actually down there to purchase a car from him. When I was there he said he would like to show me around his community.

He said: "This is a farming community. It has been a farming community for many years but terrible things are happening here. Farmers are going out of business for many reasons."

He smoked, but he said: "The health of our people is important, so I guess people think smoking is not good, so they are not doing it as often as they did in the past. People are quitting. The new generation is not smoking like older generations did and things are changing."

The leader of the third party has said some things, and certainly I know the member for Markham said that our government had callous disregard. I wonder if it is the same callous disregard the Conservative Party that was the government in the spring of 1985 had when all the tobacco farms in the area of Delhi were going out of business.

Mr Harris: It is exactly the same. Are you proud of being rotten like every other party?

Mr Johnson: The member from the third party agrees. Well, I am glad to know that.

The Acting Speaker: May I interrupt, please? I remind the member that he is making comments and questions on the speech that was made by the government member and not on the opposition comments.

Mr Johnson: Thank you, Mr Speaker. I regret that. I just want to conclude by saying that the member for Cochrane South made some very substantial points and I hope the members of the opposition were listening very clearly to what he said, because they were most important.

Mr Brown: I appreciate the comments from the member for Cochrane South, and I think he should practise his speech over and over again because what this is, of course, is a revenue bill. It is a bill to raise taxes. This is a bill that requires the people of Ontario to pay more for a certain product.

What we know about this government is that when it took power on September 10, members in this House will remember that the Treasury officials said the budget of the province had deteriorated. We were in a position where the deficit was projected to be \$700 million for that year. By October 1, the new Treasurer suggested it would be \$2.5 billion. That is what he said it was. Even given that, we were in surplus.

The crime here is that this government has come before us with a reckless budget and with a reckless deficit of \$9.7 billion. The only way to pay for \$9.7 billion is through increased taxes. That is the bottom line. The \$9.7

billion is a tax. It is just a deferred tax. It is a tax that we are going to pay over and over again, and our children are going to pay it.

It is a tax that they have knowingly put before the people of Ontario for no good reason that any of us can think of, except that they do not have any sense of financial and fiscal management. No one suggests there would not be some deficit, but the \$9.7-billion deficit is something our children will pay for, we will all pay for, and the flexibility of this government will be gone. It will be gone.

Mr Bisson: I suggest that the member for Algoma-Manitoulin practise his speech better, when he talks about passing on deficits to our children and our children's children and our children's children's children. The reality is we got here in 1990 and it was a big surprise, when we got here, what we were left from the members opposite.

The other reality is that the member for Oriole talked about her constituents—and she said that very carefully so that she would not be ruled out of order, I might add, implying that somehow I was misleading the House. She was very careful. She talked about her operating budget while the government here in Ontario was balanced. She failed to mention that its capital deficit was actually not balanced at all. As a matter of fact, in 1990, the year of the election, they did not quite report the facts until we got into government afterwards.

When we take a look at the operating budget for the current government in 1990-91, I can boast the same thing. This government has a balanced operating budget in the interim of 1990-91. It is balanced. There is no question that we have to be able to raise revenue over the next number of years to be able to pay for the programs Ontarians want, but I would suggest that the member for Oriole, when she talks about my misleading the House, is being very selective in her terms.

Also, the last point—I only have a couple of seconds—is that the member for Nipissing calls this a tax grab. That is clearly not what I talked about in this debate. There are a number of issues that are current to Bill 84. Yes, it is the raising of revenue through taxes, but also it is a question of being able to protect people through our health care system over the long term and have fewer smokers.

The member for Nipissing speaks about tax grabs. His federal cousins in Ottawa have plenty of experience at that and I am sure he cannot lecture us here in this Legislature about doing the types of things his federal cousins are doing.

Mr Bradley: Thank you very much, Mr Speaker, for the opportunity to address the House and you, in particular, as the Speaker, on the bill that is before us, the one that deals with the tax on tobacco in Ontario.

If we look back on the history of taxes in this province, or perhaps even federally, we will see that tobacco was often the choice of many. The reason tobacco was the choice, just as alcohol was the choice, was that it was an easy thing to tax in our province because everybody knew it was a health hazard of some kind and everybody knew it was not essential, at least for most people in the province it was not essential, and it was an easy one to pass off.

There may have been some reason for that. If we were in good economic times, the opposition would still say the government should not be taxing, but it would be with less conviction than at the present time. It is not even the fact that we are in difficult economic times that some of us make the argument against the tobacco tax. We make it because of its effect of driving people to other jurisdictions to make those purchases. It is difficult to drive them to other provinces, because in Canada other provinces tend to like selecting tobacco products and alcohol products for the purpose of taxation as well, but it does send them to the United States.

1750

The member for Lincoln is in the House this afternoon. He represents an area that has part of the city of St Catharines, and to the west and to the south of St Catharines, and he understands there are people in his constituency who from time to time, and more frequently than in years gone by, decide to go over the river to get their products, as we say in our part of the province. This has always happened. Anybody who lives in a border area knows it has always happened that there has been a certain amount of shopping on the other side of the border.

I am not a smoker. I have never smoked a cigarette in my life, ever—or anything else. I have never smoked anything. I could be a candidate for the Supreme Court of the United States because I could say with a lie detector test that I have never smoked anything in my life, so there it is. My brother, who may be watching on television this afternoon, can turn any argument or discussion in the world into an anti-smoking lecture; I assure members of that. I come from a family where there is not necessarily a lot of sympathy for smoking, and therefore perhaps not a lot of difficulty in terms of seeing this kind of tax.

In fact, one member of the family quit smoking after Michael Wilson put the last tax on cigarettes. I can understand it as a tool, if it were a tool to stop people from smoking. The member for Scarborough East is here, and as a member of the medical profession he would know the devastation smoking has brought about with many people in terms of their health.

My concern at this time is that the major effect of this tax, combined with the tax on alcohol, which is going up and with the gas tax that is going up, will be more people going over the border to make their purchases, people who did not do so before, perhaps people who do not want to purchase clothing or other products but since they are going over to buy their gas, their cigarettes and their alcoholic beverages, or perhaps to have a meal which is cheaper because of the cheaper price of alcoholic beverages, that will become a habit and the billions of dollars will begin to be even more billions of dollars heading to the other side of the border. This is pretty serious, to say the least, for those of us who reside in border areas.

The member for Sarnia was in the House this afternoon and he was concerned about this. I remember having a discussion with my friend the member for Sault Ste Marie on this same matter. He faces the same situation of people heading to the other side of the border. The members on the government side will vote for this tax because they

have to or they will stay out of the House, one of the two. They do not have a choice in our present system. They certainly will not vote against it if they want to be in the cabinet or ever hope to be in the cabinet or curry any favour from the government. I am not criticizing them. That is the system. I do not expect they are going to break with that. I could be mischievous and say they should. I do not expect that is going to happen.

The reason I am very concerned about this tax, and I normally would not be, is that it is going to drive people to the other side of the border. The effects are quite devastating in our communities. There are stores closing down left and right in border communities. There are some stores which have been in business for 70, 80, 90 or 100 years that are closing down, largely because of the competition on the other side of the border, part of that competition coming about because people are heading over the border for the loss leaders, as I describe them—the cigarettes, the alcohol and the gasoline—but at the same time making other purchases. I do not think we can afford for that to continue to happen in this province or in this country.

I remember it used to be a case where we said people from St Catharines, Beamsville and perhaps up to Grimsby went to the other side of the border. That is now spreading into Metropolitan Toronto. It is spreading into the Kitchener and Oakville areas. We are having people coming from 100 to 150 miles away, not to make these specific purchases but to make purchases on the other side of the border.

When people are thinking of these taxes, I wonder who they are. I wonder whether they are the people to whom the member for Welland-Thorold made reference in one of my favourite television shows, called *Hack* from Queen's Park. Certainly the guest who was on last week provided a lot of *Hack* from Queen's Park.

Mr Stockwell: What did he have to say?

Mr Bradley: He had this to say about the people making decisions, and I do not know if it would be the people making decisions on this tax, but I suspect this is the case.

The Acting Speaker: Order, please. First, I ask the member for Etobicoke West to refrain from making interjections, and I ask the member who has the floor to address his remarks to the chair and not to have a dialogue with somebody who is interrupting the process.

Mr Bradley: Exactly. That is why I thought the members of the House would like to hear what the member for Welland-Thorold had to say about those who make decisions on these kinds of taxes. He said, "The problem is you've got politicians up there in Toronto who won't take the time to get out of their limousines and talk to real people." I am sure he must have been thinking of the people who dreamed up this particular tax. That is how I relate it.

He went on to say, "When people are told, for instance, that some pinhead made a decision about eliminating the oath to the Queen for police officers, they say, 'What kind of nitwit could possibly think that somehow people in this province are demanding that?'"

Asked by the member for St Catharines-Brock what he had to say to these politicians, the member for Welland-Thorold said: "The government should stop using \$1,000-a-day consultants and go straight to the people to get their input. The disdain the people feel about politicians, well, I'll tell you, politicians have earned it."

I think what he was saying on this, about another issue, and he was not just picking on that particular issue—it is unfortunate that I forgot who was the Solicitor General at the time when I raised that—I really did—but I think he probably was not thinking of the Solicitor General. He was probably thinking of the people who advised the Premier to advise the Solicitor General of the day to do that. I blush because I like the member for Cambridge and I feel badly about that.

However, to get back to this tax, he was wondering where the people come from who dream up these taxes. It is certainly not the members of the civil service, because they do not think of these things. They may put options in front of people, but it is really a political decision that is made. It must be the people who are making more money than the members of the Legislature, even more money than the Attorney General who now makes \$90,000 a year and the people he referred to, the pinheads.

The Acting Speaker: Order. I hate to interrupt the member when he is on a roll, but it would help if he referred to the bill occasionally and we had a sense that we were dealing with a specific piece of legislation.

Mr Bradley: The member for Welland-Thorold probably would have felt more comfortable if he knew that the taxes being derived from this particular bill were going to assist Niagara farmers, who are now in a position where they want to sell their land. I well remember, as you may, Mr Speaker, the Premier of this province calling his press conference in Vineland—that is probably what turned the tide in Lincoln at this time. He castigated—I pronounce that carefully—the members of the then government for not saving the farm land and the farmers, and at the same time he suggested they would be helpful.

Maybe they brought in this tax for that purpose. We have a tax that apparently is going to pay off only a huge deficit to cover parties that were held in the Attorney General's office.

Hon Mr Hampton: We want to know about that new lottery the former Minister of the Environment created. That was a good tax.

Mr Bradley: He intervenes. I did not want to mention those parties, but I know that when people say, "What can this tax be for? Is it for the Baileys that is being served at the minister's reception? Is it some other alcoholic product that is being paid for by the people of this province for a big wingding in the Solicitor General's department?" I do not think so. Certainly, if they have to meet the deficit, part of that deficit is being incurred by the parties the government is having in various ministries. That may be why they decided to have this tax come forward.

I cannot at this time support this tax, a tax I would normally support.

Hon Mr Hampton: How about a lottery? Would you support a lottery?

It must be close to 6 o'clock.

The House adjourned at 1800.

Mr Bradley: I know another option would be a lottery. I know the government of Ontario, which was against lotteries, has now abolished the Ontario Lottery Corp.

ERRATUM

No.	Page	Column	Line	Should read:
71	3027	2	13	Mr Hansen: Mr Speaker, I have a petition to the

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Murdock, Sharon (Sudbury ND) PA to Minister of Labour/Ap du ministre du Travail

North, Hon/L'hon Peter (Elgin ND) Minister of Tourism and Recreation/Ministre du Tourisme et des Loisirs

O'Connor, Lawrence (Durham-York ND) PA to minister responsible for the greater Toronto area/Ap de la ministre responsable du Bureau de la région du grand Toronto
Offer, Steven (Mississauga North/-Nord L)
O'Neil, Hugh P. (Quinte L)
O'Neill, Yvonne (Ottawa-Rideau L) opposition deputy whip/Whip adjointe de l'opposition
Owens, Stephen (Scarborough Centre/-Centre ND) PA to Minister of Financial Institutions, government whip/Ap du ministre des Institutions financières, whip du gouvernement

Perruzza, Anthony (Downsview ND) PA to Minister for Skills Development/Ap du ministre de la Formation professionnelle
Philip, Hon/L'hon Ed (Etobicoke-Rexdale ND) Minister of Industry, Trade and Technology/Ministre de l'Industrie, du Commerce et de la Technologie

- Phillips, Gerry (Scarborough-Agincourt L)
- Pilkey, Hon/L'hon Allan** (Oshawa ND) Solicitor General,
Minister of Correctional Services/Solliciteur général,
ministre des Services correctionnels
- Poirier, Jean (Prescott and Russell/Prescott et Russell L)
- Poole, Dianne (Eglinton L) Vice-Chair, standing committee on
public accounts/Vice-Présidente du comité permanent des
comptes publics
- Pouliot, Hon/L'hon Gilles** (Lake Nipigon/Lac-Nipigon ND)
Minister of Transportation, minister responsible for
francophone affairs/Ministre du Transport, ministre
délégué aux Affaires francophones
- Rae, Hon/L'hon Bob** (York South/-Sud ND) Premier,
Minister of Intergovernmental Affairs/Premier ministre,
ministre des Affaires intergouvernementales
- Ramsay, David (Timiskaming L)
- Rizzo, Tony (Oakwood IND)
- Runciman, Robert W. (Leeds-Grenville PC) Chair, standing
committee on government agencies/Président du Comité
permanent des organismes gouvernementaux
- Ruprecht, Tony (Parkdale L)
- Scott, Ian G. (St. George-St. David L)
- Silipo, Hon/L'hon Tony** (Dovercourt ND) Chairman of the
Management Board of Cabinet, Minister of
Education/Président du Conseil de gestion du
gouvernement, ministre de l'Éducation
- Sola, John (Mississauga East/-Est L)
- Sorbara, Gregory S. (York Centre/-Centre L)
- Sterling, Norman W. (Carleton PC)
- Stockwell, Chris (Etobicoke West/-Ouest PC)
- Sullivan, Barbara (Halton Centre/-Centre L)
- Sutherland, Kimble (Oxford ND) PA to Chairman of the
Management Board of Cabinet; Vice-Chair, standing
committee on finance and economic affairs/Ap du
président du Conseil de gestion du gouvernement,
vice-président du Comité permanent des finances et des
affaires économiques
- Swarbrick, Anne (Scarborough West/-Ouest ND)
- Tilson, David (Dufferin-Peel PC)
- Turnbull, David (York Mills PC)
- Villeneuve, Noble (S-D-G & East Grenville/S.-D.-G. &
Grenville-Est PC) Second Deputy Chair of the Committee
of the Whole House/Deuxième vice-président du Comité
plénier de l'Assemblée législative
- Ward, Brad (Brantford ND) PA to Minister of Industry, Trade
and Technology with responsibility for trade and technology/
Ap du ministre de l'Industrie, du Commerce et de la
Technologie et délégué au Commerce et à la Technologie
- Ward, Margery (Don Mills ND) PA to Minister of Government
Services/Ap du ministre des Services gouvernementaux
- Wark-Martyn, Hon/L'hon Shelley** (Port Arthur ND) Minister
of Revenue/Ministre du Revenu
- Warner, Hon/L'hon David** (Scarborough-Ellesmere ND)
Speaker; Co-Chair, special committee on the
parliamentary precinct/Président, coprésident du Comité
extraordinaire de l'enceinte parlementaire
- Waters, Daniel (Muskoka-Georgian Bay/Muskoka-Baie-
Georgienne ND) PA to Minister of Tourism and Recreation;
Vice-Chair, standing committee on resources development/
Ap du ministre du Tourisme et des Loisirs, vice-président
du Comité permanent du développement des ressources
- Wessinger, Paul (Simcoe Centre/-Centre ND) PA to Minister
of Health/Ap de la ministre de la Santé
- White, Drummond (Durham Centre/-Centre ND) Chair,
standing committee on regulations and private bills/
Président du Comité permanent des règlements et projets
de loi privés
- Wildman, Hon/L'hon Bud** (Algoma ND) Minister of Natural
Resources, minister responsible for native affairs/Ministre
des Ressources naturelles, ministre délégué aux Affaires
autochtones
- Wilson, Hon/L'hon Fred** (Frontenac-Addington ND) Minister
of Government Services/Ministre des Services
gouvernementaux
- Wilson, Gary (Kingston and The Islands/Kingston et Les Îles ND)
PA to Minister of Culture and Communications/
Ap de la ministre de la Culture et des Communications
- Wilson, Jim (Simcoe West/-Ouest PC)
- Winninger, David (London South/-Sud ND) PA to Attorney
General, PA to minister responsible for native affairs/Ap
du Procureur général, ap du ministre délégué aux Affaires
autochtones
- Wiseman, Jim (Durham West/Durham-Ouest ND) PA to
Minister of Correctional Services/Ap du ministre des
Services correctionnels
- Witmer, Elizabeth (Waterloo North/-Nord PC)
- Wood, Len (Cochrane North/-Nord ND) PA to Minister of
Natural Resources/Ap du ministre des Ressources naturelles
- Ziembra, Hon/L'hon Elaine** (High Park-Swansea ND)
Minister of Citizenship, minister responsible for human
rights, disability issues, seniors' issues and race
relations/Ministre des Affaires civiques, déléguée aux
Droits de la personne, aux Affaires des personnes
handicapées, aux Affaires des personnes âgées et aux
Relations interraciales

**COMMITTEES OF THE LEGISLATIVE ASSEMBLY
COMITÉS DE L'ASSEMBLÉE LÉGISLATIVE**

STANDING COMMITTEES/COMITÉS PERMANENTS

Administration of justice/Administration de la justice

Chair/Président: Mike Cooper
Vice-Chair/Vice-Président: Mark Morrow
Members/Membres: Gary Carr, Jenny Carter, Robert Chiarelli,
Derek Fletcher, Charles Harnick, Irene Mathysen, Gordon Mills,
Jean Poirier, Gregory S. Sorbara, David Winninger
Clerk/Greffière: Lisa Freedman

Estimates/Budgets des dépenses

Chair/Président: Cameron Jackson
Vice-Chair/Vice-Présidente: Margaret Marland
Members/Membres: Gary Carr, Hans Daigeler, Mike Farnan,
Paul R. Johnson, Wayne Lessard, Dalton McGuinty, Lyn
McLeod, Lawrence O'Connor, Anthony Perruzza, Gary Wilson
Clerk/Greffier: Franco Carrozza

Finance and economic affairs/

Finance et affaires économiques

Chair/Président: Ron Hansen
Vice-Chair/Vice-Président: Kimble Sutherland
Members/Membres: David Christopherson, Norman Jamison,
Monte Kwinter, Gerry Phillips, Norman W. Sterling, Chris
Stockwell, Barbara Sullivan, Brad Ward, Margery Ward,
Jim Wiseman
Clerk/Greffier: Todd Decker

General government/Affaires gouvernementales

Chair/Président: Remo Mancini
Vice-Chair/Vice-Président: Michael A. Brown
Members/Membres: Donald Abel, Gilles Bisson, Dennis
Drainville, Margaret H. Harrington, George Mammoliti,
Rosario Marchese, Bill Murdoch, Yvonne O'Neill, Ian G. Scott,
David Turnbull
Clerk/Greffière: Deborah Deller

Government agencies/Organismes gouvernementaux

Chair/Président: Robert W. Runciman
Vice-Chair/Vice-Président: Allan K. McLean
Members/Membres: James J. Bradley, Jenny Carter, Robert
Frankford, Bernard Grandmaître, Pat Hayes, Rosario
Marchese, Dalton McGuinty, Chris Stockwell, Daniel Waters,
Jim Wiseman
Clerk/Greffier: Douglas Arnott

Legislative Assembly/Assemblée législative

Chair/Président: Noel Duignan
Vice-Chair/Vice-Président: Vacant
Members/Membres: Mike Cooper, Robert Frankford,
Norman Jamison, Margaret Marland, Irene Mathysen,
Carman McClelland, Gilles E. Morin, Hugh P. O'Neil,
Stephen Owens, Noble Villeneuve
Clerk/Greffier: Douglas Arnott

Ombudsman/Ombudsman

Chair/Président: Mark Morrow
Vice-Chair/Vice-Président: Vacant
Members/Membres: Alvin Curling, Joan M. Fawcett, Christel
Haeck, D. James Henderson, Peter Kormos, George
Mammoliti, Bill Murdoch, Margery Ward, Paul Wessinger,
Jim Wilson, Elizabeth Witmer
Clerk/Greffier: Franco Carrozza

Public accounts/Comptes publics

Chair/Président: Robert V. Callahan
Vice-Chair/Vice-Présidente: Dianne Poole
Members/Membres: James J. Bradley, Sean G. Conway,
W. Donald Cousens, Christel Haeck, Pat Hayes, Paul R. Johnson,
Ellen MacKinnon, Lawrence O'Connor, David Tilson,
Drummond White
Clerk/Greffière: Tannis Manikel

Regulations and private bills/

Règlements et projets de loi privés

Chair/Président: Drummond White
Vice-Chair/Vice-Présidente: Ellen MacKinnon
Members/Membres: Donald Abel, Mike Farnan, Derek Fletcher,
Leo Jordan, Frank Miclash, Tony Ruprecht, John Sola, Kimble
Sutherland, Jim Wilson
Clerk/Greffier: Todd Decker

Resources development/Développement des ressources

Chair/Président: Peter Kormos
Vice-Chair/Vice-Président: Daniel Waters
Members/Membres: Ted Arnott, John C. Cleary,
George Dadamo, Bob Huget, Leo Jordan, Paul Klopp,
Sharon Murdock, Steven Offer, David Ramsay, Len Wood
Clerk/Greffier: Harold Brown

Social development/Affaires sociales

Chair/Présidente: Elinor Caplan
Vice-Chair/Vice-Président: Joseph Cordiano
Members/Membres: Charles Beer, Christel Haeck,
Randy R. Hope, Gary Malkowski, Tony Martin, Lyn McLeod,
Stephen Owens, Paul Wessinger, Jim Wilson, Elizabeth Witmer
Clerk/Greffière: Lynn Mellor

SELECT COMMITTEE/COMITÉ SPÉCIAL

Ontario in Confederation/

Rôle de l'Ontario au sein de la Confédération

Chair/Président: Dennis Drainville
Vice-Chair/Vice-Président: Gilles Bisson
Members/Membres: Jenny Carter, Alvin Curling, Ernie Eves,
Charles Harnick, Margaret H. Harrington, Gary Malkowski,
Irene Mathysen, Steven Offer, Yvonne O'Neill, David Winninger
Clerk/Greffier: Harold Brown

SPECIAL COMMITTEE/COMITÉ EXTRAORDINAIRE

Parliamentary precinct/Enceinte parlementaire

Co-Chair/Coprésident: David Warner
Co-Chair/Coprésident: Noel Duignan
Members/Membres: Dianne Cunningham, Remo Mancini,
Kimble Sutherland
Clerk/Greffier: Smirle Forsyth

CONTENTS

Tuesday 22 October 1991

Members' statements

Capital funding for schools	3049
Mr Daigeler	
Public libraries	3049
Mr Harnick	
Survivors Psychiatric Advocacy Network	3049
Mr Drainville	
Child care	3049
Mr Sola	
Compensation to sheep farmers	3050
Mr B. Murdoch	
Coat distribution program	3050
Mr Hope	
Community Action Team	3050
Mr Mahoney	
Brewing industry	3050
Mrs Witmer	
Recycling	3051
Mr Sutherland	

Oral questions

Government assets	3051
Mr Conway	
Mr Laughren	
Assistance to farmers	3052
Mr Conway	
Mr Buchanan	
Assistance to de Havilland	3053
Mr Harris	
Mr Rae	
Ministry conferences	3054
Mr Harris	
Mr Hampton	
Ontario Hydro reception	3055
Mr McGuinty	
Mr Ferguson	
Court system	3055
Mr Harnick	
Mr Hampton	
Nuclear power facilities	3056
Ms Carter	
Mr Ferguson	
Investigation into release of documents	3056
Mr Bradley	
Mr Rae	
Energy conservation	3058
Mr Jordan	
Mr Ferguson	
Health clubs	3058
Mr Hansen	
Ms Churley	
Transfer payments to municipalities	3059
Mr Mahoney	
Mr Cooke	

Members' comments 3059

Mr Mills
Mr Huget
Mr Eves
Mr Stockwell
Mr Cooke
Mr Scott
Mr Kwinter
Mr Harnick

Motions

Committee sitting	3061
Mr Cooke	
Agreed to	3061

Petitions

Church of Scientology	3061
Mr Poirier	
Oath of allegiance	3061
Mr J. Wilson	
Assistance to farmers	3061
Mr Harris	
Wayne Larose	3062
Mr Dadamo	
Oath of allegiance	3062
Mrs Marland	

First readings

Ontario Water Resources Amendment Act, 1991,	
Bill 141	3062
Mr Hansen	
Agreed to	3062

Second readings

Income Tax Amendment Act, 1991, Bill 83	3062
Ms Wark-Martyn	
Agreed to	3062
Tobacco Tax Amendment Act, 1991, Bill 84	3062
Mr Tilson	3062
Mr Drainvill	3065
Ms Wark-Martyn	3066
Mr Jordan	3066
Mr Cousens	3066
Mr Winninger	3067
Mr Bradley	3068
Mr Stockwell	3069
Mr Grandmaître	3069
Mr Bisson	3075
Mr Villeneuve	3076
Mr Brown	3080
Mrs Caplan	3079
Mr Harris	3080
Mr Johnson	3080
Adjourned	3083

Lists of members

Members and their responsibilities
Committees of the Legislative Assembly

TABLE DES MATIÈRES

Le mardi 22 octobre 1991

Première lecture

Loi modifiant la Loi sur les ressources en eau de l'Ontario,	
projet de loi 141	3062
Adoptée	3062

Deuxième lecture

Loi de 1991 modifiant la Loi de l'impôt sur le revenu, projet	
de loi 83	3062
Adoptée	3062

Loi de 1991 modifiant la Loi de la taxe sur le tabac, projet	
de loi 84	3062
M. Bisson	3068
Débat ajourné	3083

Listes des députés

Les députés et leurs responsabilités **Comités de l'Assemblée législative**

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FEB 26 1992

